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# Security Council

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**Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities**

## Note verbale dated 5 January 2004 from the Permanent Mission of Egypt to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Arab Republic of Egypt to the United Nations presents its compliments to the Chairman of the Security Council established pursuant to resolution 1267 (1999), and with reference to his note dated 21 November 2003, has the honour to submit the enclosed updated report of the Arab Republic of Egypt to the Committee in response to paragraph 6 of resolution 1455 (2003) (see annex).

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# Annex

[Original: Arabic]

## Reply of the Arab Republic of Egypt to the questions raised by the Security Council Committee established pursuant to resolution 1267 (1999) concerning al-Qa'idah and the Taliban and associated individuals and entities*

**1. Please provide a description of activities, if any, by Osama bin Laden, al-Qa'idah, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.**

According to the information available, the investigations carried out in Egypt and the security cooperation established with various countries of the world, there is as yet no proof that Osama bin Laden, al-Qa'idah and the Taliban are engaged in any activities in the Arab Republic of Egypt.

The competent security apparatuses in Egypt are taking all legal, precautionary and security measures to track terrorist activities at the domestic level in order to detect, prevent and abort any threats from terrorist organizations at home and abroad.

The activities of the terrorist Osama bin Laden, al-Qa'idah and the Taliban at the international level are monitored through coordination with international organizations and cooperating security apparatuses worldwide, as well as through such information as may be obtained by way of the Security Council committees concerned with implementation of the Security Council resolutions on counter-terrorism, in order to detect and prevent any movements, activities or threats which may be directed at our own country or at any other country of the world.

Egypt promptly notifies countries which may be vulnerable to terrorist activities of the information available to the Egyptian security apparatuses.

Tough legal, administrative and security measures are being taken to counter non-Egyptian terrorist elements suspected of association with terrorist organizations (foreign and Egyptian organizations and elements of those organizations who have fled the country).

**2. How has the 1267 Committee's list been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?**

The Arab Republic of Egypt has every faith in the efforts of the United Nations to contain the phenomenon of international terrorism and eliminate the spectre of terrorism threatening the international community. It is also fully compliant with paragraph 4 (b) of Security Council resolution 1267 (1999), paragraph 2 (a) of Security Council resolution 1390 (2002) and paragraph 4 of Security Council resolution 1455 (2002) concerning the freezing of funds and other financial resources connected with the Taliban, al-Qa'idah and Osama bin Laden and with other individuals and entities belonging to or associated therewith and included in the consolidated list. In that context, it wishes to highlight those parts of its domestic legislation through the enforcement and practice of which full implementation of the said paragraphs of the aforementioned Security Council resolutions is achieved. These are as follows:

* Appendices are on file with the Secretariat and are available for consultation.

## I. The Egyptian Penal Code

The Egyptian legislator introduced Act No. 97 of 1992, known as the Terrorism Act, which is incorporated within section II, articles 86-102, of the Penal Code. Under these articles, all forms of terrorism and the financing thereof are criminalized, as are all forms of assisting, instigating and acquiescing in the perpetration or attempted perpetration of such.

In that regard, it is worthy of note that, under article 30 of the Penal Code, a court which hands down a punishment for a felony or misdemeanour is permitted to order the confiscation of items derived from or used in the crime. Article 98 of the same Code also requires the confiscation of assets which prove to be earmarked for expenditure on terrorist organizations and groups.

Pursuant to the two aforementioned articles, as soon as information is received concerning any of the individuals or entities included in the list, the investigating authority makes inquiries, examines all of the financial and economic assets and resources relevant to those individuals or entities and takes a decision on whether to seize and freeze such assets forthwith.

## II. The Suppression of Money-Laundering Act No. 80 of 2002, as amended by Act No. 78 of 2003

In line with the efforts of the Egyptian Government to introduce measures to combat the crime of money-laundering, which is a key conduit for the financing of terrorist entities, the Egyptian legislator addressed the phenomenon by promulgating, on 22 May 2002, the Suppression of Money-Laundering Act, article 6 of which states that: "A special independent unit to combat money-laundering shall be established within the Central Bank."

Article 4 of the same Act defines the competences of the unit, which include the receipt of notifications from financial institutions concerning operations in which money-laundering is suspected, the establishment of a database and the exchange of information with the country's monitoring authorities, with the competent authorities in foreign States and with international organizations, in accordance with Security Council resolutions, the conventions to which Egypt is party and the principle of reciprocity.

In accordance with article 5, the unit carries out investigations and inquiries, reports its findings to the Office of the Attorney-General and may request the latter to take precautionary measures to freeze funds of a nature or origin suspected of constituting a punishable offence under the Act, as well as prevent the disposal of such funds by the individuals or entities to whom they belong or are remitted.

Under article 8, financial institutions are required to notify the said unit of financial operations in which money-laundering is suspected. In addition, no such institution may open accounts, link deposits or accept funds or deposits which are unknown or held under false or assumed names.

In that regard, it is worthy of note that, under article 98 of the Central Bank Act No. 88 of 2003, the Attorney-General or, at minimum, his delegated first advocate general, may, at his discretion or at the request of an official authority or interested party, request the Cairo Court of Appeal to order the examination of or access to data or information relating to accounts, safe deposit boxes, deposits, trusts and transactions connected therewith where necessary in order to uncover the facts about a felony or a misdemeanour concerning which there is serious evidence of its perpetration.

Accordingly, the Central Bank Act No. 88 of 2003 allows for the disclosure of confidential accounts in the event that the security or judicial authorities wish to contest the illegal entry of funds and any related money-laundering as a preliminary to the seizure and freezing of such funds.

In addition, articles 18 and 19 of the Suppression of Money-Laundering Act permit, within the framework of international judicial cooperation, the adoption of such legal measures as are necessary to trace, freeze and confiscate laundered funds or the proceeds therefrom.

The names and entities included in the list are consequently subject to that legislation and its enforcement mechanisms, which prevents the siphoning of economic resources and funds to financial institutions in the Arab Republic of Egypt on the one hand and also means that all such funds are frozen as soon as notification of their origin or beneficiary is received.

## III. The Civil Associations and Institutions Act No. 84 of 2002

In the context of tightening the monitoring and control of remittance systems so that they are unconnected with operations to finance terrorist-linked individuals and entities and in that of regulating the activity of civil associations and institutions, the Egyptian legislator promulgated the Civil Associations and Institutions Act No. 84 of 2002, which lays down special conditions for monitoring the establishment of such associations. Such conditions include those contained in article 11 prohibiting the establishment of secret associations which are engaged in forming military organizations or in threatening national unity. Article 17 of the same Act allows such associations to accept, with the approval of the administrative authority, donations from individuals or bodies corporate located outside the country.

Under article 22, associations are required to deposit their cash funds in the name under which they are registered.

Under article 42 of the above-mentioned Act, the competent minister is entitled to dissolve such associations if they dispose of or earmark their funds for purposes other than those specified, if they obtain funds from or send or remit funds to a foreign party without official permission from the competent authority, or if they collect donations contrary to the provision of article 17 of the Act.

On the above basis, notification of the consolidated list to the authorities concerned with implementing and enforcing the articles of the Act ensures that none of the individuals or entities included in the list and whose activity is suspect is financed by obtaining funds from or sending funds to a foreign party.

## IV. The Socialist Public Prosecutor Act No. 34 of 1971, as amended by Act No. 95 of 1980, regulating the imposition of custodianship and ensuring the safety of the people

This piece of legislation represents another form of tightening the monitoring and control of acts and deeds liable to damage the country's national interest, as well as any related ways of financing the persons carrying out such acts and any inflation in assets derived by those persons from such acts. The Egyptian legislator thus introduced the system of the socialist public prosecutor, upon whom he conferred the task of instigating proceedings to take custodianship of such assets in accordance with the conditions stipulated in the Act.

Highlighting the articles of the Act connected with the imposition of custodianship over assets having a suspicious origin or purpose of use, we find that article 2 permits the imposition of custodianship over all or some of a person's assets in order to avert risk to the community if there is evidence to show that they are derived from acts which are liable to damage the country's internal or external security or the economic interests of the community.

Article 3 also provides that custodianship may be imposed over all or some of a person's assets if there is serious evidence that they have been inflated, whether by the person himself or whether by a third party. Custodianship may also be imposed over any asset under that person's *de facto* control, even if it is in the name of his spouse, his minor or adult children or another person, if he is the source of the asset for any of the following reasons:

1. Exploitation of rank, office, representative capacity, grass-roots capacity or influence;

2. Use of fraud, collusion or bribery in connection with the execution of building contracts, supplies, public works, public works units or any public body corporate;

3. Smuggling or trafficking of narcotic drugs;

4. Trade in prohibited articles or on the black market or tampering with food or medications;

5. Misappropriation of public or private assets owned by the State or by bodies corporate.

Article 4 also states that custodianship may be imposed, in accordance with the provisions of the Act, over the assets of bodies corporate if one of the reasons stipulated in the above two articles obtains in their regard.

It is worth noting that, in some matters, swift decisions are required to seize and freeze assets as temporary measures falling within the realm of the preventive measures employed by the competent authorities in that regard.

In that connection, we refer to article 7 of the said Act No. 34 of 1971, which states that: "If the public prosecutor has gathered strong evidence that a person has performed one of the acts stipulated in articles 2 and 3 of this Act, he may order the seizure of such assets, prohibit their disposal or administration and take such precautionary measures as he considers fit in that respect. Should he deem it necessary, he may order the same measures to be taken in respect of the assets of the person's spouse or of his minor or adult children."

As stated in the explanatory note to the draft of the said Act, the substance of this provision is consistent with the magnitude of such acts, their danger to society and the need for swift and immediate measures to ensure that such assets are frozen in order to prevent their unlawful disposal or use.

Accordingly, the mere availability of evidence to indicate that a person has a relationship or connection with any of the individuals or entities whose names are included in the consolidated list and that he is being financed with a view to the perpetration of any of the unlawful acts mentioned in the Act is in itself sufficient for the above-mentioned legal measures to be adopted, in accordance with the provisions of the Act, and for his assets to be seized and frozen, thereby achieving the purpose of this piece of legislation.

It is worthy of note that the Arab Republic of Egypt has signed the United Nations Convention against Organized Transnational Crime (Palermo, 1999) and that Republican Decree No. 194 of 2003 was promulgated in order to complete the procedures for its ratification. As soon as it is ratified, in accordance with article 151 of the Egyptian Constitution, it is regarded as an enforceable part of Egyptian legislation to which the same applies as to all national legislation.

N.B.:

We wish to make the general comment that the Central Bank of Egypt, in accordance with its role stipulated in article 6 (d) of Act No. 88 of 2003 concerning the monitoring of banking units and financial institutions in the Arab Republic of Egypt and of their Egyptian branches abroad, is bound to implement the Security Council resolutions on suppression of the financing of terrorism, in particular resolution 1267 (1999), as it is under obligation to notify all financial institutions of the freezing of any financial assets belonging to individuals and entities whose names are included in the consolidated list drawn up by the Committee established pursuant to that resolution.

The above completes the review of all those legislative acts in force in the Egyptian legal system within which the 1267 Committee list is incorporated and of which the enforcement mechanisms are required to seize and freeze all economic and financial assets belonging to individuals and entities whose names appear on that list.

As for financial supervision, police, immigration control, customs and consular authorities, the response will be covered in the reply to the questions which follow.

**3. Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the list? If so, please describe these problems.**

In accordance with the Egyptian laws governing the entry of aliens to the territory of the Arab Republic of Egypt and with the decrees regulating those laws, bulletins incorporating travel-ban lists, pre-arrival screening lists and checklists are circulated, using dedicated forms which comprise the following: the Arabic name, consisting of a minimum of three components and transliterated into Latin characters; the family name in cases where the name is given in Latin characters; date of birth (day-month-year); place of birth; particulars of nationality; occupation; place of residence; action to be taken). These bulletins are circulated to all concerned monitoring, security and banking authorities, including the customs authorities.

**N.B.: The Security Council list, concerning which full measures have been taken to implement, is lacking some of the key information, mentioned above, that is essential to the achievement of a positive outcome.**

We would also like to be provided with the aliases which may be employed by the elements included in the list in view of the fact that terrorist organizations habitually use forged papers and documents to travel between countries.

**4. Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.**

The list includes the names of 17 persons of Egyptian nationality. The results of the check are appended hereto (appendix 1).

As for the entities (organizations) contained in the list, there is as yet no evidence that they are engaged in any activity in the territory of the Arab Republic of Egypt.

The entities contained in the list also include the terrorist Jihad organization, in which regard the following is stated:

- During the 1970s, the organization was able to form a pyramid structure. The leadership of the organization is assumed by the terrorist Ayman Rabi' al-Zawahiri, assisted by a command group whose members have fled the country;

- The ideology of the Jihad organization is based on a set of extremist ideas which sanction the use of violence by way of assassinations, explosions, the abduction of prominent figures, hostage-taking, etc.).

- The activity of the organization is based on intense secrecy achieved by means of the following: use of fictitious and code names; division of the organizational structure into disjointed clusters, the leadership of which communicates by means of go-betweens or dead drops at mutually arranged times; and use of unconventional techniques for encrypting and channeling communications;

- The leaderships and core members of the organization took it upon themselves to carry out a number of terrorist operations performed with the maximum levels of violence;

- The leaderships and elements of the organization who have fled abroad are using various countries of the world as their centres of location and activity;

- During 1998, the organization joined forces with theWorld Islamic Front for Jihad Against Jews and Crusaders under the leadership of Osama bin Laden.

It is worth noting that the competent security authorities in Egypt are taking all legal, precautionary and security measures to track terrorist activities at the domestic level in order to detect, prevent and abort any threats from terrorist organizations at home and abroad.

**5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Osama bin Laden or members of the Taliban or al-Qa'idah that have not been included in the list, unless to do so would compromise investigations or enforcement actions.**

It has been established that the terrorist leader Ayman Muhammad Rabi' al-Zawahiri and some of his Jihad agents are associated with al-Qa'idah and that he assists the terrorist Osama bin Laden.

**6. Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion on the list? Please specify and elaborate, as appropriate.**

No instances of any listed individuals or entities having brought a lawsuit or engaged in legal proceedings for inclusion on the list have been detected. The Committee will be notified of any such proceedings as soon as they are detected.

**7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the list? If so, please provide this information to the Committee, as well as similar information on listed entities, as available.**

The information which can be added to the names included in the list relates to the Egyptian elements (a list of 17 elements is appended hereto) and comprises a revision of the data contained therein (appendix 1).

**8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting al-Qa'idah members in carrying out activities inside your country, and to prevent individuals from participating in al-Qa'idah training camps established in your territory or in another country.**

It should be stated that article 86 bis (d) of the Egyptian Penal Code provides that: "Any Egyptian who, without written authorization from the competent government authority, cooperates with or joins the armed forces of a foreign State or cooperates with or joins any terrorist association, body, organization or group, however designated, which has its headquarters outside the country and which has adopted terrorism or military training as means of achieving its purposes, even if its activities are not directed at Egypt, shall be punished by imprisonment with hard labour. The punishment shall be life imprisonment with hard labour if the offender receives military training in such groups or participates in operations of theirs which are not directed at Egypt."

It has been shown that there are no military installations or training camps for terrorist organizations, including al-Qa'idah, in the territory of the Arab Republic of Egypt. Furthermore, the Egyptian authorities enforce the counter-terrorist laws and legislation, which criminalize military training, in addition to the security measures applicable in that regard, notably the following:

- Egypt's prompt adoption of a number of stern security and legal measures to abort the activities of terrorist organizations at home and abroad and crush their organizational structures;

- The adoption of stringent legal, administrative and security measures to counter non-Egyptian terrorist elements suspected of association with foreign terrorist organizations, Egyptian terrorist organizations or elements of such organizations who have fled the country;

- Profitable use of the positive relations with various international security organizations to establish and update, on a constant basis, an information base of all non-Egyptian terrorist organizations and incorporate the elements belonging to such organizations in the pre-arrival screening lists and the lists which ban entry to the country from its legal access points;

- Egypt's prompt warning to all States having detected information concerning terrorist elements in safe haven of the importance of arresting or deporting such elements or, at the very least, handing them over to the judicial authorities in the said States;

- On that basis, non-Egyptian terrorist organizations and their core members have been made to feel that it is difficult for them to use Egyptian territory as a hiding place or as a location for organizational centres from which to direct their terrorist activities or launch their plans.

**9. Please describe briefly:**

- **The domestic legal basis to implement the asset freeze required by the resolutions above;**

- **Any impediments under your domestic law in this context and steps taken to address them.**

Details of the domestic legal basis to implement the asset freeze have already been given in the reply to the second question. There are, however, currently no impediments in this context.

**10. Please describe any structures or mechanisms in place within your Government to identify and investigate Osama bin Laden, al-Qa'idah or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.**

In the light of the detailed reply given to the first question, no financial networks providing support to Osama bin Laden, al-Qa'idah, the Taliban or any individuals or entities associated with them have been detected. In the event that any such networks are detected, by coordinating with the competent regional and international authorities and the bank-monitoring apparatuses in various countries at the regional and international level, Egypt's concerned authorities are immediately notified to take the necessary legal action in accordance with the legislation already mentioned.

**11. Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Osama bin Laden or members of al-Qa'idah or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements. Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.**

In regard to the first part of the question, in the light of the reply to the first question, there are no financial assets or resources attributable to Osama bin Laden or members of al-Qa'idah or the Taliban, or associated entities or individuals. In the event that any such assets or resources are detected, the legal measures in their regard are taken in accordance with the domestic legislation already mentioned.

As for the second part of the question concerning the "know your customer" requirements, on 14 February 2003, the Central Bank of Egypt issued Circular No. 372 notifying all registered banks, bureaux de change and money-remittance firms in Egypt of the monitoring controls to which such financial institutions are required to adhere in opening accounts and conducting banking business. An official copy of that Circular is appended to this report. All financial institutions are required to conduct their banking business guided by the monitoring controls established by the Central Bank in that regard (appendix 2).

The bank-monitoring sector and its competent departments are responsible for following up the implementation of those requirements with a view to tightening the monitoring of all banking operations carried out by financial institutions, including banks operating in Egypt, their branches abroad and the branches of foreign banks operating in Egypt.

**12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities." Please provide a list of the assets that have been frozen in accordance with this resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2001) and 1390 (2002). Please include, to the extent possible, in each listing the following information:**

- **Identification(s) of the person or entities whose assets have been frozen;**

- **A description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, works of art, real estate property, and other assets);**

- **The value of assets frozen.**

In the light of the above replies, no financial assets or resources of individuals and entities whose names are included in the consolidated list have been detected. In the event that any such assets are detected through the follow-up mechanisms for the implementation of laws, decrees, regulations and Security Council resolutions, the necessary action will be taken to seize and freeze them.

It should, however, be taken into consideration that an account in the name of the Society for the Revival of Islamic Heritage was previously frozen in view of the similarity of its name with that one of the associations included in the consolidated list. The Ministry of Foreign Affairs was officially notified of this through the Central Bank of Egypt.

The Ministry of Foreign Affairs was then subsequently informed that the consolidated list issued by the 1267 Committee provides only for freezing of the assets of the Society's offices in Pakistan and Afghanistan.

The assets of the aforementioned Society were therefore unfrozen, particularly since the bank at which those accounts are held stated that the Society's transactions on its current account were internal and that no foreign transactions or remittances had been made. Furthermore, its account is unconnected with foreign offices in other foreign States, meaning that the purpose of freezing its funds and assets does not apply.

**13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Osama bin Laden or members of al-Qa'idah or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.**

The reply to the second part of the previous question mentions the only case in which such funds and assets, namely those belonging to the Society for the Revival of Islamic Heritage, have been frozen. The funds of that Society were unfrozen on the basis of information received by the Egyptian Ministry of Foreign Affairs that the 1267 Committee list provides only for freezing of the assets of the Society's offices in Pakistan and Afghanistan. In addition, it was established that this Society makes no foreign transactions or remittances and has no connection with foreign offices in other foreign States.

**14. Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities. This section should include a description of:**

- **The methodology, if any, used to inform banks and other financial institutions of the restrictions placed upon individuals or entities listed by the Committee, or who have otherwise been identified as members or associates of al-Qa'idah or the Taliban. This section should include an indication of the types of institutions informed and the methods used;**

- **Required bank-reporting procedures, if any, including the use of Suspicious Transaction Reports (STR), and how such reports are reviewed and evaluated;**

- **Requirements, if any, placed on financial institutions other than banks to provide STR, and how such reports are reviewed and evaluated;**

- **Restrictions or regulations, if any, placed on the movement of precious commodities such as gold, diamonds and other related items;**

- **Restrictions or regulations, if any, applicable to alternate remittance systems such as — or similar to — "*hawalah*", as well as on charities, cultural and other non-profit organizations engaged in the collection and disbursement of funds for social or charitable purposes.**

The previous replies have already indicated that none of the listed individuals or entities have been detected inside the Arab Republic of Egypt. Consequently, there is no scope for any immediate discussion of financing, support or availability of funds at the domestic level.

Moreover, the reply to the second question reviews the domestic laws applied in order to tighten the control of such funds and seize and freeze them in the event that any link with listed individuals or entities is detected. In that regard, we would point out that the Central Bank of Egypt, in accordance with its role of monitoring financial institutions in the Arab Republic of Egypt and their Egyptian branches elsewhere, already explained at the end of the reply to the second question, has notified such institutions of the ban imposed on the individuals and entities designated by the Committee in the consolidated list. The types of financial institutions notified are as follows:

1. Banks operating in Egypt, their branches abroad and branches of foreign banks operating in Egypt;

2. Bureaux de change and other agencies licensed to deal in foreign currency;

3. Remittance agencies;

4. Securities agencies;

5. Agencies handling money receipts;

6. The Postal Savings Fund;

7. Agencies engaged in mortgaging or in mortgage-related securitization;

8. Agencies engaged in financial leasing;

9. Factoring agencies;

10. Agencies engaged in any type of insurance activity, private insurance funds and insurance brokerage.

The Central Bank of Egypt regularly provides official notification to the above-mentioned financial institutions of updates to the consolidated list on the basis of information received from the Security Council committee responsible for preparing the list.

In accordance with the monitoring controls laid down by the Central Bank on 19 February 2002 and the official notification to banks to apply those controls, a senior management officer is designated to provide information, by way of suspicious transaction reports, concerning operations of a dubious nature or in which money-laundering is suspected. The money-laundering unit is also notified of such reports by way of dedicated forms to which all particulars and copies of documents relating to the operations in question are attached.

The report or notification must include details of the reasons or motives on which the bank based its suspicion that the operation involves money-laundering.

As for other financial institutions, the above directives equally apply; the executive directors of such institutions are required to follow the same procedures as those mentioned above in the event of doubt or suspicion concerning any of the operations carried out through those institutions.

Moreover, in accordance with the monitoring controls laid down by the Central Bank, the competent financial institutions must devote particular attention to obtaining full particulars and information on operations associated with the movement of precious commodities, such as jewellery and gold, and report any such operations which give rise to suspicion.

On another note, remittance systems such as *hawalah* are subject to the same restrictions and monitoring procedures referred to in the previous replies. In regard to remittances and transactions associated with charities, cultural and other non-profit organizations engaged in the collection and disbursement of funds for social and charitable purposes, in addition to being subject to the same legislation governing the control of assets, they are specifically regulated by the Civil Associations and Institutions Act No. 84 of 2003, which has already been reviewed in detail in the reply to the second question.

**15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.**

The Department of Passports, Immigration and Nationality of the Egyptian Ministry of the Interior is responsible for implementing the laws and regulating decrees connected with the listing of individuals, in conjunction with the concerned authorities in the country, in particular the Office of the Attorney-General.

A special travel-ban list is kept at all points of entry to the country (land, sea and air). The list is automatically updated on a constant daily basis, as all entry points (ports, airports and land accesses) are linked to the Department of Passports, Immigration and Nationality.

As for the legislative and administrative framework for the regulation of this matter, it is noteworthy that decisions to ban travel and incorporate entries in the pre-arrival screening lists are regulated by Ministerial Decree No. 2214 of 1994 issued by the Ministry of the Interior in the light of the Passports Act No. 98 of 1959 and Act No. 89 of 1960 concerning the entry to, residence in and exit from the territory of the Arab Republic of Egypt by aliens. Article 1 of the said Ministerial Decree mentions the competent authorities concerned with issuing such decisions. These are as follows:

- Courts in their delivery of enforceable rulings and orders;
- The socialist public prosecutor;
- The Attorney-General;
- The Assistant Minister of Justice for illicit gain;
- The chief of the General Intelligence Service;
- The chief of the Administrative Control Authority;
- The director of the Department of War Intelligence and the director of the Armed Services Department of Personal Affairs and Social Service;
- The military public prosecutor;
- The Assistant Chief Minister of the Interior for the State Security Investigations Sector;
- The director of the Department of Public Security, with the approval of the Minister of the Interior.

**16. Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.**

All of the names contained in the Committee's list have been included in the pre-arrival screening lists kept at each point of entry to the country.

The reply to the third question has already mentioned the problems encountered by the authorities concerned in applying the required measures.

**17. How often do you transmit the updated list to your border control authorities? Do you possess the capability of searching list data using electronic means at all your entry points?**

The following can be said in regard to the capability of searching list data using electronic means at all entry points:

- Manual electronic means are employed at several of the country's entry points (ports and airports). Departure and arrival traffic through the entry points which use electronic equipment constitutes 91.4 per cent of the country's total number of departures and arrivals.

**18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.**

Individuals transiting the country remain in transit lounges and are not permitted access to the country from its entry points (on grounds of security or for reasons relating to air traffic, passengers remain in such lounges for limited periods, during which time they are subject to security control). They are not therefore checked against the lists.

Transit passengers wishing to enter the country must present their passports for the completion of entry procedures, at which time the general directives concerning the method of checking lists and the possession of entry visas are applicable.

**19. Please provide an outline of the measures, if any, taken to incorporate the list in the reference database of your consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the list?**

Our consulates abroad are provided with the list of non-Egyptians who are banned from entry and all general consulates and embassy consular sections are notified of that list (143 consulates).

The entry-ban list is updated by means of daily bulletins; it is sent to the Department of Information at the Ministry of Foreign Affairs, which then circulates it to all consulates on a daily basis.

**20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Osama bin Laden, members of al-Qa'idah organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?**

The Egyptian Weapons and Ammunition Act No. 394 of 1954, as amended, regulates the manufacture, storage, trade, refurbishment and transport of weapons. The Act also prohibits the possession or acquisition of weapons by individuals, except in special cases requiring a series of procedures, as well as certifications from the responsible authorities. Similarly, the State regulates the internal weapons trade by laying down the conditions to be met whereby companies engaging in such activity are subject to direct security control. It specifies the types of weapons which may be traded, all of which are small weapons for personal defence. The weapons stockpile is controlled by keeping the weapons in depots which meet all the requirements for ensuring the stockpile against all risks. Appropriately well-qualified security managers are appointed to safeguard such weapons depots and regular spot inventories are planned and carried out in order to check that the weapons stocks are complete. It is also worth noting that weapons which are surplus to requirement are disposed of by sale or donation to friendly States in a manner compatible with the rules of international legitimacy. Weapons surplus to requirements are also dismantled and the steel reused for other purposes. Raw materials for the manufacture of weapons are disposed of under close supervision and are exported and imported exclusively through the State, with the approval of the sovereign authorities. Weapons may not be transported from place to place within the State without the authorization of those authorities. The State also complies with its bilateral agreements to notify the State from which weapons are imported in the event that they are re-exported to a third State.

**21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Osama bin Laden, members of al-Qa'idah organization and the Taliban and other individuals, groups, undertakings and entities associated with them?**

It has already been mentioned in the previous replies that no activity associated with Osama bin Laden, al-Qa'idah organization and the Taliban has been detected inside the Arab Republic of Egypt. In the event, however, that any such activity relating to the possession or acquisition of weapons and ammunition is detected, whether carried out by the above targets or by individuals or entities associated with them, the responsible security authorities undertake the necessary legal action in that regard in accordance with the provisions of the Weapons and Ammunition Act No. 394 of 1954, as amended, details of which we shall set forth in the reply to question 23.

**22. Please describe how your arms/arms broker licensing system, if any, can prevent Osama bin Laden, members of al-Qa'idah organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.**

Since weapons are prime among the effective means of perpetrating crimes, the Egyptian legislator was careful to lay down rules on the bearing and acquisition of weapons and to regulate their trade, import and manufacture under Act No. 394 of 1954, as amended. The Act is divided into three sections, dealing first with the possession and acquisition of weapons and ammunition, followed by their import and trade, and lastly by

penalties and general provisions. The main general rules for which the legislator made provision in the Act are perhaps as follows:

1. The Minister of the Interior is empowered to amend the schedules annexed to the Act by issuing a decree to supplement or delete their contents, with the exception of the list of weapons contained in schedule 2, section II, which may be amended only by supplementing its contents (appendix 3);

2. Licensing of the weapons listed in schedule 3, section II, annexed to Act No. 394 of 1954, as amended, namely guns and machine guns, is prohibited;

3. The unlicensed possession or acquisition of major parts for the firearms mentioned in schedule 4, annexed to Act No. 394 of 1954, is prohibited;

4. Article 12 prohibits import of the weapons stipulated in article 1 without licence from the Minister of the Interior and of the ammunition for such weapons, as well as their trade, manufacture or refurbishment. It also provides that licences shall be valid for one year, which is renewable, and permits the Minister or his appointed deputy to refuse a licence. The period of licence may be curtailed and the licence itself may be confined to specific types of weapons and ammunition or may be limited in accordance with conditions deemed appropriate on grounds of public security. It may be withdrawn at any time or revoked, provided that there is reason for the decision to do so;

5. Under article 13, authorized trade in licensed weapons and ammunition is restricted to urban areas, as is the manufacture or refurbishment of all types of weapons and ammunition, and the Minister of Interior is empowered to issue a decree specifying the number of licences allocated to each governorate or directorate and the conditions which he deems it necessary for the licensed firms to fulfil;

6. Article 16 allows for specification, by decree of the Minister of the Interior, of the quantity of the weapons listed in schedule 2, section I, which the supplier or trader is annually permitted to handle, as is also the case with the ammunition necessary for such weapons;

7. Article 17 provides for the confiscation of weapons imported without administrative licence;

8. Article 18 stipulates that licences may not be granted to firms trading in weapons and ammunition in such squares, streets and roads as are designated by decree of the Minister of the Interior.

Section III of Act No. 394 of 1954, as amended, deals with penalties and general provisions. Its main substance in regard to trade in weapons and ammunition is perhaps the provision for the punishment of unlicensed traders in bladed weapons with a fine. The punishment is imprisonment and a fine for any person who, without licence, trades, imports, manufactures or refurbishes any of the firearms stipulated in schedule 3. The punishment is imprisonment with hard labour if the weapon is one of those stipulated in schedule 3, section I (...) and similarly if the weapon is one of those stipulated in schedule (...), section I (b) or section II. The punishment extends to the death penalty for anyone who, on his own account or through an intermediary, possesses or acquires any of the bladed weapons listed in schedule 2 and schedule 3, section I, with intent to use them in any activity which breaches public security or undermines the system of government, the principles of the Constitution, the basic rules of human society, national unity or social calm.

In addition to the above, the Minister of the Interior issued Decree No. 157 of 1964 specifying the quantity of weapons and ammunition which traders are annually permitted to handle and Decree No. 19084 of 1985 concerning the conditions of licence for firms which trade in weapons and ammunition and for firms which refurbish weapons. The director of the Department of Public Security also issued Decree No. 2095 of 1977 specifying the quantity of weapons and ammunition in which trade is permitted.

**23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Osama bin Laden, members of al-Qa'idah organization and the Taliban and other individuals, groups, undertakings and entities associated?**

The reply to the previous two questions indicated that the national legislation covers the regulation of all matters relating to weapons and ammunition, whether those produced inside the Arab Republic of Egypt or those imported from abroad, since exports and imports take place only through the State and only then with the approval of the sovereign authorities therein. Such legislation also regulates matters pertaining to the manufacture, storage and trade of weapons. The regulations implementing those laws comprise the necessary conditions and measures in that regard insofar as any activity relating to weapons and ammunition is subject to direct security control in order to prevent the diversion of such items to illicit channels.

**24. Would your State be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.**

The Arab Republic of Egypt spares no effort in providing all the necessary assistance within the frameworks of international cooperation agreements in criminal matters or security agreements, or in accordance with multilateral international conventions or the principle of reciprocity. Its purpose in doing so is to create a model framework for international and regional cooperation in matters of counter-terrorism.

Full lists of the counter-terrorism training courses recently prepared by Egypt for Arab and African States and for the Commonwealth of Independent States are appended hereto (appendix 4).

**25. Please identify areas, if any, of any incomplete implementation of the Taliban/al-Qa'idah sanctions regime, and where you believe specific assistance or capacity-building would improve your ability to implement the above sanctions regime.**

Additional information concerning the particulars and identities of the individuals included in the consolidated list should be made available, including names, where possible, consisting of four components, date and place of birth, place of residence, original and acquired nationality, if any, as well as assumed names or code names, given that individuals and elements from terrorist organizations habitually use forged documents to travel between countries. The listed individuals can thus be subject to thorough security monitoring and the necessary legal action can be taken in their regard by applying the sanctions regime imposed on the Taliban and al-Qa'idah.

**26. Please include any additional information you believe pertinent.**

No additional information is available.

United Nations S/AC.37/2004/(1455)/2

# Security Council

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**Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities**

## Note verbale dated 9 January 2004 from the Permanent Mission of Albania to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Albania to the United Nations presents its compliments to the Chairman of the Committee and, upon instructions from the Government of the Republic of Albania, has the honour to transmit the attached implementation report, called for in paragraph 6 of resolution 1455 (2003) (see annex).

04-20725 (E) 100204

**Annex to the note verbale dated 9 January 2004 from the Permanent Mission of Albania to the United Nations addressed to the Chairman of the Committee**

## REPUBLIC OF ALBANIA

## IMPLEMENTATION REPORT, CALLED FOR IN PARAGRAPH 6 OF SECURITY COUNCIL RESOLUTION 1455

Background information

Albania continues its active cooperation with the Committee established pursuant to resolution 1267 (1999) and is committed to fulfil its international obligations in compliance with the above mentioned resolution and the other ones, which followed it.

Albania strongly supported the adoption of UNSC resolutions concerning the fight against terrorism and in particular resolutions 1368, 1373, 1377, which declare terrorism as a threat to peace and international security. In this context, Albania declared its support for the US and British attacks directed against terrorist bases and their infrastructure in Afghanistan and against the Taliban regime that supported terrorism.

Currently Albania is a party of the following international relevant acts against terrorism:

1. Montreal Convention on the Suppression of Unlawful Acts Against the Safety of Civil Aviation, accession by Law no. 8197, date 6.3.1997, has entered into force for the Republic of Albania on 20 November 1997.

2. Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14.9.1963, accession by Law no. 8197, date 6.3.1997, has entered into force for the Republic of Albania on 1 March 1998.

3. Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16.12.1970, accession by Law no. 8197, date 6.3.1997, has entered into force for the Republic of Albania on 20 November 1997.

4. International Convention on the Suppression of Terrorist Bombings has entered into force for the Republic of Albania on 21.02.2002.

5. Convention on the Prevention and the Punishment of Crimes against Internationally Protected Persons, included Diplomatic Agents, has entered into force for the Republic of Albania on 21.02.2002.

6. Convention Against the Taking of Hostages has entered into force for the Republic of Albania on 21.02.2002.

7. Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, entry into force in September 17, 2002)

8. Protocol for the Suppression of Unlawful Acts against the safety of Fixed Platforms Located on the Continental Shelf, entry into force in September 17, 2002).

9. Convention on the Physical Protection of Nuclear Material, 5 April 2002 the date of its entry into force for the Republic of Albania.

10. Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, 29 May 2002 its entry into force for the Republic of Albania.

11. International Convention for the suppression of the Financing of Terrorism, (entry into force for Albania – 10 May 2002).

12. Convention on the Marking of Plastic Explosives for the purpose of detection, Montreal on 1 March 1991 (approved by the Albanian Assembly- its instrument of accession will be deposited in a few days with the Secretary General of the International Civil Aviation Organization).

13. European Convention on the Suppression of Terrorism concluded at Strasbourg on 27 January 1977, (entry into force for the Republic of Albania on 22.12.2000.

14. The European Convention on extradition and its additional protocols, entered into force on 17.8.1998.

15. The European Convention on mutual assistance in criminal matters, and its additional protocols.

16. The European Convention on the transfer of proceedings in criminal matters, entered into force on 5.7.2000.

17. European Agreement on Transmission of Application for Legal Aid (ratified 2001).

18. European Convention on Money Laundering, Search, Seizure and Confiscation of the Proceeds from Crime (ratified 2000).

The following conventions have been signed:

1. International Convention on Cyber Crime (signed 2001);

2. Second Additional Protocol of European Convention on Mutual Assistance in Criminal Cases (signed 2001);

3. Additional Protocol of European Agreement on Transfer of Procedures of Criminal Cases (signed 2001).

The Government of Albania frequently has asked all banks and financial institutions operating in Albania to check and report on accounts, if any, of persons included in the consolidated list. This list has been made available to the banks so they can identify and freeze possible banking assets of these individuals deposited with the banks in Albania and can report immediately if these people open new accounts.

Within the framework of prevention of money laundering, the Ministry of Finances has intensified its contacts with homologue foreign institutions, as well as with international organizations. Persistently, a lot of information on this matter have been exchanged with the American Department of Treasure, and also Greek, Croatian, Dutch, Luxembourg, Bulgarian, Turkish, Italian, Hungarian homologue units. The Ministry of Finances (Department of Coordinating the Combat Against Money Laundering) has signed agreements for cooperation with the Slovenian homologue unit and it's about to sign similar agreements with Bulgarian, Turkish, Croatian, Italian and Luxembourg homologue units.

Furthermore, the Ministry of Finances (Department of Coordinating the Combat Against Money Laundering) it's on the point of becoming member to the EGMONT -Group, which can fundamentally facilitate the exchange of information with more than 69 members of the group.

Department of Coordinating the Combat Against Money Laundering within the Ministry of Finances actively cooperates with the regional SECI Center situated in Romania.

During their activity for the prevention and detection of possible terrorist acts the police forces have been in regular contact with the police of other countries on a direct basis or through INTERPOL. The Office of the Attorney General has cooperated with the counterpart authorities of other countries, especially during 1997 and 1998, for the identification, extradition, and deportation of some Arab citizens of Egyptian origin, who were suspected of or wanted for their involvement in terrorist activities. There were four such cases in 1998. In addition, the Albanian authorities have cooperated with the Egyptian authorities to arrest two other Egyptian citizens in Albania.

The Republic of Albania is also contributing to the international and regional cooperation in the fight against terrorism and organized crime. This participation has been institutionalized in the OSCE (participating in the Action Plan against Terrorism approved in the Bucharest Summit, 2001) and in some regional initiatives such as South-East Cooperation Process (SECI), Organization of the Black Sea Co-operation (BSEC), Adriatic and Ionian Initiative (AII), Central European Initiative (CEI), South-Eastern European Cooperation Process (SEECP) etc, by cooperating in the working groups set up for this purpose as well as by supporting the relevant approved declarations and documents.

It is also worth mentioning that Albania is contributing to the Center against Organized Crime in Bucharest (SECI). Part of Albania's cooperation with other countries in the fight against organized crime and trafficking is also the establishment of the "Center of the Fight Against Illegal Trafficking" in Vlore, in co-operation with Italian, German and Greek Governments, which tasks comprise among others the prevention and detection of terrorist elements.

Following previous concrete steps of the Albanian specialized bodies and the close co-operation with relevant US Authorities that resulted in the past in the identification and expulsion of 10 presumed extremist elements from the Albanian territory the National Service of Intelligence, the Ministry of Public Order and the Office of the General Prosecutor elaborated a set of measures aimed at bolstering counter terrorist activities. All Islamic charity organizations existing in the country are in this context carefully monitored and checked.

On October 6, 2001, Albanian Minister of Public Order, following intense cooperation with relevant foreign specialized bodies, issued Order No. 1560 expelling from the Albanian territory 5 suspected foreign citizens that meantime resided in Albania, and notified a number of others the order to leave the Albanian territory.

In December 2001 the Albanian authorities in cooperation with partners from USA and Turkey opened a criminal proceeding against a foreign citizen accused of money laundering.

A series of measures have been taken in the implementation of the law for foreigners. The cooperation with international partners, such as USA, Italy, France, Israel, etc, is increasing. Instructions were given to the Embassies staff, as well as to the foreign citizens, that can be targets of terrorist attacks. Additional measures were taken to protect the main state institutions, improving at the same time the rules and the regime of entries to these institutions.

Clear instructions were given to all the police structures, especially to the border police regarding procedures and actions in case of identification of dangerous foreign citizens, or when there are information's and suspicions about them.

In the framework of the bilateral cooperation with foreign countries, "The Agreement between the Government of the Republic of Albania and the Government of Romania on Cooperation in Fight against Terrorism, Organized Crime, Illicit Traffic in Narcotic Drugs and Psychotropic Substances and other Illegal Activities" was ratified in 03.10.2002, while "The Agreement between the Government of the Republic of Albania and the Government of the Republic of Slovenia on Cooperation in Fight against Terrorism, Illicit Traffic in Narcotic Drugs and Organized Crime" was ratified in 01.10.1998.

## I. Introduction

**1. Please provide a description of activities, if any, by Osama bin Laden, al-Qa`idah, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.**

During the recent year in the territory of the Republic of Albania there was only one case related to activities of Osama bin Laden, al-Qa`idah, the Taliban and their associates. The Foundation "Al-Haramain" which had its headquarter in Riad, Saudi Arabia, started to operate in the territory of the Republic of Albania on December 12, 1993 by the decisions taken from the Council of Ministers no. 413 on August 17, 1993 and from the Local Court of the Tirana City no. 11 on December 20, 1993. After verifications from the Albanian specialized agencies and institutions this foundation has been found in the Executive Order Nr. 13224 issued by the US President which asked for freezing of the assets and transactions of individuals and entities related to the terrorist activities. Based on this Executive Order and the information/confirmation by the Albanian specialized authorities that the said Foundation has been linked and has supported the terrorist activities of the Osama bin Laden, al-Qa`idah, the Taliban and their associates, the Ministry of Finance of the Republic of Albania issued the Order Nr. 9/1 on March 18, 2003 by which all the assets, bank accounts of the said Foundation must be frozen, all its activities must be

closed and all the international staff that worked for it must be deported/leave Albania as soon as possible. As the result of the implementation of this Order all the accounts and assets of the Foundation are frozen; all its activities are shut down; all the international staff left Albania.

Regarding the activities of the said Foundation in other neighboring countries, we do not posses any information.

II. Consolidated list

**2. How has the 1267 Committee's List been incorporated within your legal system and your administrative structure including financial supervision, police, immigration control, customs and consular authorities?**

There is a systematic control for foreigners that enter Albania based on the Law for Foreigners No. 8492 on May 27, 1999. According to this Law (art. 4, para. 3,4,6; art.5 para. 1,7) visa and entry into the country shall be denied to foreigners if there is available information that they belong to criminal/terrorist groups or organizations or that they are engaged in those activities, in illegal trade in arms and weapons, as well as illegal traffic of narcotics and psychotropic substances and of raw materials for production thereof. The National Intelligence Service is responsible for receiving such information and adequately providing it to the national entry points' immigration authorities about individuals on the consolidated list. The Border Control System has an updated list of persons included in the consolidated list and the National Service Border Police has full power to stop and detain any of them as they arrive at the border checkpoint. Immediately after the Border Police should inform the specialized agencies and institutions for further investigation.

The Ministry of Foreign Affairs is responsible, and has done so far, to distribute the updated UN Consolidated List to all relevant National Institutions and Agencies related to the issue.

**3. Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the list? If so, please describe these problems.**

Due to the cooperation among relevant national institutions and their collaboration with their counterparts in the different countries, we do not have experienced so far any problem/difficulty on identification and verification of the personal data of the individuals and entities that are currently included in the List seeking to extend their activities in our country. Documents in Arabic may arise difficulties during data verification process and the Border Police continuously has been worried about.

**4. Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.**

There are identified 5 suspicious individuals; they are expelled from Albania. On the other side there are frozen the banks' accounts and assets of a foreign foundation and of one foreign citizen. All the international staff belonging to that foundation has been deported from territory of the Republic of Albania. The Albanian National Bank and the National Intelligence Service have no additional information which could be added to the existing list.

**5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Osama bin Laden or members of the Taliban or al-Qa'idah that have not been included in the list, unless to do so would compromise investigations or enforcement actions.**

No data is available on such individuals.

**6. Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the list? Please specify and elaborate, as appropriate.**

No lawsuit has been brought or legal proceedings initiated against the official authorities in Albania.

**7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the list? If so, please provide this information to the Committee as well as similar information on listed entities, as available.**

On October 6, 2001, Albanian Minister of Public Order, following intense cooperation with relevant foreign specialized bodies, issued Order No. 1560 expelling from the Albanian territory 5 suspected foreign citizens that meantime resided in Albania, and notified a number of others the order to leave the Albanian territory.

No information is available about individuals not already included in the list.

**8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting al-Qa'idah members in carrying out activities inside your country, and to prevent individuals from participating in al-Qa'idah training camps established in your territory or in another country.**

There are no reported cases on Albanians or foreign nationals resident in Albania that belong to the terrorist organizations or engaged in their activities. Nevertheless the National Institutions (Ministry of Public Order, Ministry of Finance, Ministry of Defense, Ministry of Local Government and Decentralization, etc) and Specialized Agencies (National Intelligence Service, etc) in accordance with their legally prescribed tasks and duties are frequently undertaking routine and specialized operational monitoring and controlling over the suspected individuals and entities in order to avoid them from being involved in the terrorist activities within and outside the national territory.

**II. Financial and economic asset freeze**

Under the sanctions regime (paragraph 4 (b) of resolution 1267 (1999) and paragraphs 1 and 2 (a) of resolution 1390 (2002)), States are to freeze without delay the funds and other financial assets or economic resources of the listed individuals and entities, including funds derived from property owned or controlled, directly or indirectly, by them or by persons acting on their behalf or at their direction, and ensure that neither these nor any other funds, assets or resources are made available, directly or indirectly, for such persons' benefit, by their nationals or by any persons within their territory.

**9. Please describe briefly:**

**• The domestic legal basis to implement the asset freeze required by the resolutions above.**

Among the legal provisions, which enable the freezing of funds and economical resources that are (suspected to be) used for financing terrorist activities, are those of the law no. 8610, on 15.05.2000 *"On money laundering"* as well as the provisions of the Law *"On banking system in the Republic of Albania"*.

According to the Law "On Banks in the Republic of Albania", articles 55, 56, banks are obliged to ban transactions in money or other properties deriving from criminal activities or which are intended to cover the illegal origin of the property.

**• Any impediments under your domestic law in this context and steps taken to address them.**

At present, no barriers have been identified in the course of implementation of the legislative framework. As we are involved in the process of stabilization and association with the European Union, the Albanian Government is committed to review its whole legislation in order to bring it in line with the EU standards, thus we expect to better address the issues regarding prevention and fight against international terrorism.

**10. Please describe any structures or mechanisms in place within your Government to identify and investigate Osama bin Laden, al-Qa`idah or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.**

Please refer to the pages 1,2,3,4 and 5 of this report.

**11.Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Osama bin Laden or members of al-Qa`idah or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements. Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.**

Please refer to the point 9 of this report.

Provisions of law no. 8365, on 02.07.1998 "On Banks in the Republic of Albania":

Article 44/2.

Article 45/3.

For monitoring the suspicious transactions, the Assembly of the Republic of Albania has enacted the law no. 8610, dated 17.05.2000 "On Prevention of Money Laundering". The following articles of the law are considered as the most important in the combat against terrorist activities:

Article 4 - "The Procedures of Identification".

Article 5 "Reporting to the Responsible Authority".

Article 6 "The Obligations of the Entities", article 7 and article 8 "The Duties of the Responsible Authority" of this law provide monitoring of the suspicious transactions.

Other legal provisions on monitoring the suspicious financial transactions, in addition to those mentioned in the Report of the Albanian Government dated 27.12.2001, are included in the provisions of law no. 7764, dated 02.11.1993, "On the Foreign Investments".

**12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities". Please provide a list of the assets that have been frozen in accordance with this resolution. This**

**list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2001) and 1390 (2002).**

Following careful investigation of this matter several bank assets, belonging to one foreign citizen and one foreign foundation, suspected to be affiliated with terrorist organizations were frozen. Also, in this field of action some immovable properties were put under pre-emptive juridical sequester.

**13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Osama bin Laden or members of al-Qa`idah or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.**

The Albanian authorities have not released any funds, financial assets or economic assets that had previously been frozen as being related to Osama bin Laden or members of al-Qa`idah or the Taliban or associated individuals or entities.

**14. Pursuant to resolution 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities. This section should include a description of:**

**• The methodology, if any, used to inform banks and other financial institutions of the restrictions placed upon individuals or entities listed by the Committee, or who have otherwise been identified as members or associates of al-Qa`idah or the Taliban. This section should include an indication of the types of institutions informed and the methods used.**

During this process of control and verification, the Department of Coordinating the Combat Against Money Laundering cooperates closely with the police, the banking system, the intelligence service, the judiciary and the tax and customs authorities at a national level. In addition, efforts are being made to cooperate with the international agencies in the field of exchanging information and coordinating the operations for the seizure of people involved in terrorism and for the confiscation of their wealth.

The Money Laundering Department within the Ministry of Finance is entitled to issue the inspection order for a suspicious individual or entity based on the information received from the National Intelligence Service or another institution. Following the order, the Albanian National Bank which supervises all second level banks, distributes within the banks' network, without delay, enquiries regarding the

existence of accounts opened and transactions of monetary funds linked with the persons designated in the said lists. The National Bank, within a short period of time must receive adequate information from the other banks related to the operations and outstanding balance on accounts of clients of the banks. This procedure has been settled on in the Banking Act of the Republic of Albania. As soon as the information from the banks has been verified from the competent institutions and agencies, it must be submitted within a short period of time to the Prosecutor's Office for further interpretation and action.

A team of professional experts from the Ministry of Finances, Ministry of Justice, Ministry of Public Order, Bank of Albania and General Prosecution Office aiming at further compliance of national legislation with the international conventions, resolutions and special recommendations on the combat against terrorism financing have recently compiled 3 draft laws, as follows:

Draft law "On some additions and changes of law no. 8610 of 17.05.2000 - On Prevention of Money Laundering".

Draft law "On some additions and changes of law no. 7895 of 27.01.1995 – Criminal Code of the Republic of Albania".

Draft law "On some additions and changes of law no. 7905 of 21.03.1995 – Criminal Procedural Code of the Republic of Albania.

Furthermore, a Memoranda of Understanding (On the inter-institutional cooperation on the combat of prevention of money laundering), has been signed between the Ministry of Finances, Ministry of Public Order, General Prosecution Office, Bank and Albania and State Information Service.

**• Required bank reporting procedures, if any, including the use of Suspicious Transaction Reports (STR), and how such reports are reviewed and evaluated.**

No data available on the matter.

**• Requirements, if any, placed on financial institutions other than banks to provide STR, and how such reports are reviewed and evaluated.**

According to the Law No. 8610 on May 17, 2000 on the "Prevention of the money laundering":

Article 3

Subjects

*"Subjects":* are the natural or legal persons provided for by

the Civil Code of the Republic of Albania, which for the purpose of complying with this Law and other by-laws, perform the activities defined by it.

Such subjects are the following:

a) banks and subjects licensed by the Bank of Albania which perform banking and financial activities;

b) foreign exchange offices;

c) stock exchange;

ç) investment funds;

d) insurance companies and/or re-insurance and other legal agencies that exercise insurance activity and /or reassurance, authorized by the of Supervising Insurance Commission;

dh) institutions responsible for the privatization process;

e) postal services and other intermediaries which perform payment services;

ë) gambling clubs or casinos;

f) certified public accountants;

g) every natural and legal person whose business is related to:

the trading of means of transport;

transport and forwarding (shipping) activities;

the trading of precious and antique things;

the evaluation of real estate;

the administration of a third party property;

the trading activity with the precious metals or stones;

the travel agencies;

gj) attorneys, notaries and representatives with power of attorney;

h) tax and customs authorities;

i) affiliates, branches, agencies or representative offices of a foreign company in and out of the territory of the Republic of Albania;

j) offices that evidence the conveyances or alienation of the property.

Article 4

Identification Procedure

All the subjects of this Law should identify the customers

before making a transaction over the amounts defined in

Article 5 of this law. The subjects should identify the customers even in cases when money laundering is pre-informed, obtained through criminal activity, even when the amount of the transaction is below the thresholds defined in Article 5 of this Law. Customer identification by the subjects, is performed by registering and recording the following information in a special file:

a) For the natural non business person (individuals):

name, surname, date of birth, place of birth, his temporary and permanent address, as well as type and number of the official ID card and the issuing organisation, as well as all changes made up to the moment of performing the transaction.

b) For the natural business person:

name, surname, number and date of the Court decision to perform his business activity, tax identification number and the issuance date by the taxation authorities for performing the activity as well as all changes made, up to the moment of performing the transaction.

c) For the juridical person:

name, number and date of the Court decision with respect to its registration as a legal person, tax identification number issued by the taxation authorities for performing the activity, temporary and permanent head office, nature of the business and the purpose, type, date, amount and the currency of the transaction, as well as all changes made, up to the moment of performing the transaction.

ç) For the legal representative of the customer:

name, surname, date and place of birth, official ID number and the issuance institution, proof of power of attorney granted to him to act on behalf of the customer as well as all changes made, up to the moment of performing the transaction.

For the purpose of this Law and other by-laws, the "Responsible Authority" will determine the form and procedure of recording the data.

Identification documentation of all the customers should be in original and is valid within the term of its legal validity. If the amount is not declared at the time the transaction is performed, the above subjects have to identify the customer, as soon as the amount is declared.

All the customers requiring to make a transaction of an amount greater than the one defined in Article 5 of this Law, shall provide a declaration on the final beneficiaries of the fruit of ownership, the source, nature and the income benefited from currency circulation, excluding payments made with respect to social security.

Article 5

Reporting at the Responsible Authority

The subjects of this Law shall record all customers' transactions in cash of amounts greater than 2.000.000 (two million) Lek or the counter value in foreign currencies.

After recording the transaction, in case rational suspicion for money laundering arises as defined under this law, the subject shall report to the Responsible Authority not later than 48 hours.

The subjects of this Law, shall report to the Responsible Authority all transactions in cash and/or transfers of funds for amounts greater than 70.000.000 (seventy million) Lek or the counter value in foreign currencies.

The subjects of this Law, shall report to the "Responsible Authority" all customers' transactions exceeding the amount of 2.000.000 (two million) Lek or the counter value in foreign currencies in cases when they discern:

a) abnormalities in customer transactions defined in the Article 2 item 1, especially in deposits, transfers and/or currency exchanges, as well as the issuance of negotiable instruments (check, bill and promissory note);

b) unjustified, complex and unusual circumstances in the transactions;

c) transactions that do not appear to have a legal or economic justification;

ç) information that the funds are derived from criminal activity;

d) suspicions of money laundering that arise after the transaction has been performed and any other case not provided above, when elements of committing the penal offense of money laundering exist.

The Subjects of this Law should notify the Responsible Authority when they come into possession of information that either confirms or negates the suspicion.

Information to the Responsible Authority is given only by the Administrators, officials or authorized personnel of the subjects.

For the purpose of this Law and other by-laws, the Responsible Authority will determine the form and procedure of investigating and reporting the information.

**• Restrictions or regulations, if any, placed on the movement of precious commodities such as gold, diamonds and other related items.**

According to the Law on Money Laundering, the Ministry of Finance has the power to issue the license for persons that are not banks but are involved in extraction, processing and transactions in precious metals and stones. They have to comply with requirements set in the law and when importing and exporting precious metals and stones, these must be declared before the customs authorities.

**• Restrictions or regulations, if any, applicable to alternate remittance systems such as — or similar to — *hawala*, as well as on charities, cultural and other non-profit organizations engaged in the collection and disbursement of funds for social or charitable purposes.**

In addition to the provisions of the Law on Money Laundering, non-profit organizations are also obligated to respect during their activities the Law No 8788 on May 7-th 2001 "On non-profiting organizations". They must upgrade their internal rules by adding measures against financing of terrorism. Currently no regulatory mechanism for alternative payment systems such as *hawala* has been developed.

## IV. Travel ban

**15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.**

The entry, residence and the exit of any foreign citizen in Albania is regulated under the provisions of the Law "On foreigners" No.8492, on May 27,1999. The entry is controlled both by the Ministry of Foreign Affairs and the Ministry of Public Order, whereas the Ministry of Public Order controls residence and exit. The terms and procedures are prescribed in the Law on Foreigners in the Republic of Albania and the travel bans are determined in article 4, paragraph 3,4,5,6,7 and in article 5.

The principles of the regime of prohibitions related to the denial of visa, of entry into or exit from this country including relatives to individuals designated in the consolidated list, are:

Article 4, paragraph 1and 6 — activities of individuals whereby the security of interests of the Albanian State are endangered.

Article 4, paragraph 3 — information that the individuals belong to criminal groups or organizations or that they engage in terrorist activities,

Article 4, paragraph 7- information that the individuals are smuggling or engaged in illegal trade in arms

Article 5, paragraph 10 — the individuals have attempted to enter this country or to transit through it using false or forged documents.

Article 4, paragraph 3 and 6 — the individuals have been included in the information database of foreigners undesirable (including those belonging to the consolidated list according to Security Council resolution 1455 (2003)) in this country maintained by the Ministry of Public Order and the Ministry of Foreign Affairs.

**16. Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.**

The Ministry of Foreign Affairs distributes the updated consolidated list in regular bases to the specialized institutions such are Ministry of Public Order, National Police, National Intelligence Service, Ministry of Finance and General C.

**17. How often do you transmit the updated list to your border control authorities? Do you possess the capability of searching list data using electronic means at all your entry points?**

Immediately upon receipt from the SC Committee, each list of individuals on the updated consolidated list is entered into the Border Control System,

**18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.**

No individuals belonging to the consolidated list have been detected at any of Albania's border checkpoints so far.

**19. Please provide an outline of the measures, if any, taken to incorporate the list in the reference database of your Consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the list?**

Individuals designated in the consolidated list are entered into the restrictive database of undesirable foreigners. Under the procedure of article 15 of the Law on Foreigners in the Republic of Albania the Head of the Consulate Office has to ask the Ministry of Foreign Affairs for the permission for issuing the entry visa in Albania for every foreigner that wants to visit Albania for an unofficial purpose. On the other side, before issuing the permission, the Ministry of Foreign Affairs consults with the Ministry of Public Order taking into account the consolidated list as well. So far we did not identify any visa applicant whose name appears on the list.

**V. Arms embargo**

**20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction by Osama bin Laden, members of al-Qa'idah organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?**

The legal provisions related to selling, possessing, producing, transporting and storing of weapons are provided by the Criminal Code of the Republic of Albania.

The article 234 of the this law provides that: Producing, storing, transporting of military, chemical, biological, nuclear weapons which have poisonous or explosive base, with the intent of committing acts of terrorism, is sentenced from five to fifteen years of imprisonment.

(a) Article 278 Penal Code

Manufacturing military weapons and ammunition, bombs and mines, without the permission of competent state bodies, is sentenced from five to ten years of imprisonment.

Holding, buying or selling weapons, bombs or mines without the authorization of state competent bodies, is sentenced to a fine or up to seven years of imprisonment.

Holding bullets of light military weapons without the authorization of state competent bodies constitutes criminal contravention and is sentenced to a fine or up to one year of imprisonment.

When the same act is committed for big quantities, in co-operation, more than once, or resulted with grave consequences, is punishable with imprisonment by five to fifteen years.

Penal Code, Article 278/a, provides another provision related to the prevention of weapon transporting and international commerce of weapons.

This provision provides that:

- importing, exporting, transition and trading with military weapons and military ammunition in contravention with the law, aiming material, or other benefits is punishable by seven to fifteen years of imprisonment.

-The same act, when committed in co-operation, more than once, or led to grave consequences, is punishable by ten to twenty years of imprisonment.

Law no. 7566, (25.05.1992) On weapons, ascertains what is considered a weapon, who is entitled to be in posses of it etc.

Law no. 8388, (05.081998), On aggregation of weapons and ammunition from civil population, provides the legal ground on weapon aggregation from the hands of civil population.

With regard to the legal provisions on international trading of weapons, on selling, possessing, manufacturing, transporting etc, the Albanian Government refers with respect to all the UN General Assembly Resolutions, related to weapon embargoes and restrictions.

**21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Osama bin Laden, members of al-Qa`idah organization and the Taliban and other individuals, groups, undertakings and entities associated with them?**

Albanian legislation does provide any specific clause concerning the prosecution of the violation of the arms embargo. However, the relevant UNSC resolutions are applicable by the Albanian institutions.

Within the meaning of the Penal Code, when acts have been committed as follows:

Article 233 incriminates engagement in foreign trade in potential dual-use goods and technologies without the respective permit; potential dual-use goods and technologies which have been the object of crime are subject to confiscation in favor of the State.

Article 337 (trade, import, export without permit or at variance with the issued permit of explosives, firearms, chemical, biological or nuclear weapons or ammunition). Article 339 (acquisition, holding, transfer without permit of explosives, firearms, chemical, biological or nuclear weapons or ammunition).

Article 242, paragraph 1.d (qualified smuggling on cross-border traffic without the knowledge and permission of customs authorities of high-impact or toxic substances, explosives, arms, ammunition, nuclear materials, installations or other sources of ionizing radiation).

**22. Please describe how your arms/arms broker licensing system, if any, can prevent Osama bin Laden, members of al-Qa`idah organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.**

We do not have arms broker licensing system.

**23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Osama bin Laden, members of al-Qa`idah organization and the Taliban and other individuals, groups, undertakings and entities associated?**

Albania has only one export licensed company that exists under the structure of the Ministry of Defense. In case, this company undertakes an initiative to trade arms (export) it has to consult in advance with the list of countries and entities under embargo provided by the Ministry of Foreign Affairs, and also with the Ministry of Defense, National Intelligence Service. After inquires and verification of the end user the permission is given.

**VI. Assistance and conclusion**

**24. Would your State be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.**

No. Albania is ready to share the information among the neighboring countries in the region and has taken all the necessary steps to assure its cooperation with other states in the field.

**25. Please identify areas, if any, of any incomplete implementation of the Taliban/al-Qa'idah sanctions regime, and where you believe specific assistance or capacity building would improve your ability to implement the above sanctions regime.**

No specific assistance is required for the implementation of the above-mentioned sanctions regime.

**26. Please include any additional information you believe pertinent.**

We do consider that the Albanian legislation ensures that the requirements of resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003) have been fully met.

United Nations S/AC.37/2004/(1455)/3

Security Council

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# Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

## Note verbale dated 13 January 2004 from the Permanent Mission of Djibouti to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Djibouti to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) and has the honour to transmit to him herewith the report of the Republic of Djibouti on the implementation of Security Council resolution 1455 (2003) of 17 January 2003 (see annex).

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**Annex to the note verbale dated 13 January 2004 from the Permanent Mission of Djibouti to the United Nations addressed to the Chairman of the Committee***

# Report of Djibouti on the implementation of Security Council resolution 1455 (2003)

## I. Introduction

1. **Please provide a description of activities, if any, by Usama bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.**

There are no activities by Usama bin Laden, Al-Qaida, the Taliban and their associates in the Republic of Djibouti. However, like other countries, Djibouti is not immune to terrorist threats, and has therefore participated in the efforts of the international community to eradicate the scourge of terrorism. At the national level, Djibouti has taken numerous steps to prevent and punish terrorist crimes.

In that regard, the Government of Djibouti reaffirms that:

- It firmly rejects and condemns terrorism in all its forms, regardless of its causes and objectives;
- It is actively involved in international and bilateral efforts to combat terrorism and its financing.

Djibouti has reported on its implementation of Security Council resolution 1373 (2001) and has provided the clarifications which were subsequently requested (see also the supplementary report). In its reports, Djibouti has indicated in detail all the measures taken by the national authorities to prevent and punish terrorism and eliminate its sources of financing, in accordance with the relevant Security Council resolutions.

Determined to combat terrorism, the Republic of Djibouti is implementing the provisions of resolution 1455 (2003) and earlier resolutions of the Security Council, in which all States are called upon to combat the terrorist activities of the Taliban, the members of Al-Qaida, and individuals, groups, undertakings and entities associated with the Taliban or Al-Qaida.

## II. Consolidated List

2. **How has the 1267 Committee's List been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?**

Since the terrorist attacks of September 2001, Djibouti has adopted a series of measures of prevention and suppression in compliance with its obligations under the various Security Council resolutions, but also in order to ensure its own security in the light of the threat which the terrorists represent for international peace and security.

* Additional documentation is on file with the Secretariat and is available for consultation.

The List of individuals and entities subject to sanctions, produced by the Committee established pursuant to resolution 1267, is regularly consulted by the national security authorities, the airport and frontier police and the authorities responsible for financial matters. This List, regularly updated by the Committee, is viewed on the United Nations web site by the authorities responsible for these matters.

Djibouti takes security issues very seriously. It has set up a rigorous security system and conducts frequent border checks to prevent any illegal activity such as the use of travel documents which are counterfeit or have been tampered with. The intelligence and national security services have established offices at the country's airport and seaport to provide support to the airport and frontier police. The national authorities are in a state of constant alert and are taking the necessary steps to ensure the detection and, where appropriate, detention of persons included in the lists drawn up pursuant to Security Council resolutions 1267 (1999) and 1333 (2000).

Under presidential decree No. 2003-0222/PRE, dated 13 November 2003, the Military Cabinet of the Presidency was put in charge of security control at high-priority sensitive locations: Djibouti International Airport and the international autonomous port of Djibouti. A lieutenant-colonel from the Military Cabinet of the Presidency has been instructed to coordinate the security situation and prepare a situation report on those sensitive locations. That report will be submitted to the Chief of National Security together with suggestions and remarks aimed at remedying any shortcomings observed or improving the existing arrangements.

The List prepared by the Committee and the address of the United Nations web site have been given to all Djibouti's diplomatic and consular offices abroad and to the national security authorities, so that the necessary information is available to all those involved in combating terrorism; this includes the Central Bank of Djibouti, which is the Government's main channel of communication with financial institutions.

3. **Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the List? If so, please describe these problems.**

Djibouti has encountered no implementation problems with regard to the names and identifying information as currently included in the List regularly updated by the Committee.

4. **Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.**

None of the listed individuals or entities have been detected in the territory of Djibouti.

5. **Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Usama bin Laden or members of the Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.**

The Government of Djibouti has no information relating to the names of any individuals or entities associated with Usama bin Laden or members of the Taliban or Al-Qaida that have not been included in the List.

6. **Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the List? Please specify and elaborate, as appropriate.**

No listed individual or entity has done so.

7. **Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the List? If so, please provide this information to the Committee as well as similar information on listed entities, as available.**

No.

8. **According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country.**

The Republic of Djibouti is a country governed by the rule of law which maintains excellent relations with the countries in the region. It is also a peaceful country, allowing no subversive activities in its territory; such activities are severely punished by law and by the Penal Code.

Djibouti believes that prompt and decisive measures must be taken to prevent any person from giving any kind of support, active or passive, to entities or individuals involved in acts of terrorism, including the recruitment of agents for terrorist groups.

Djibouti has placed its infrastructures at the disposal of a number of friendly countries which are members of the anti-terrorist coalition. This is proof, if any were needed, of its commitment to the fight against terrorism.

Furthermore, since the country's territory is rather small and its population highly homogenous, any suspect activity is easily detected, all the more so because Djibouti's intelligence services work in close collaboration with the armed forces of foreign States having bases in the national territory (France, Germany, Spain, the United States of America) and with the intelligence services of friendly and neighbouring countries.

## III. Financial and Economic Assets Freeze

**Under the sanctions regime (paragraph 4 (b) of resolution 1267 (1999) and paragraphs 1 and 2 (a) of resolution 1390 (2002)), States are to freeze without delay the funds and other financial assets or economic resources of the listed individuals and entities, including funds derived from property owned or controlled, directly or indirectly, by them or by persons acting on their behalf or at their direction, and ensure that neither these nor any other funds, assets or resources are made available, directly or indirectly, for such persons' benefit, by their nationals or by any persons within their territory.**

**Note: For the purpose of implementation of the financial prohibitions in this sanctions regime, "economic resources" is defined to mean assets of every kind, whether tangible or intangible, movable or immovable (International Convention for the Suppression of the Financing of Terrorism).**

9. **Please describe briefly:**

- **the domestic legal basis to implement the asset freeze required by the resolutions above;**
- **any impediments under your domestic law in this context and steps taken to address them.**

The National Counter-Terrorism Committee was established, under the leadership of the Minister of Justice, following the adoption of Security Council resolution 1373. It is composed of all the relevant Government departments, i.e. the Ministry of Foreign Affairs, the Central Bank, the army, the police and the National Security Department. Its first task was to restructure the entire security apparatus to create synergy among all actors in the security sector. With regard to the harmonization of legislation, the Committee recommended that the country should add to its legislative and penal arsenal through the adoption of Act No. 196/AN/02/4ème L of 29 December 2002 on Money-Laundering, Confiscation and International Cooperation in respect of the Proceeds of Crimes. A copy of the Act is attached to this report.

The Act defines as a criminal offence the premeditated provision or collection by nationals, within the territory of Djibouti, by any means whether direct or indirect, of funds for the purpose of committing acts of terrorism.

With the adoption of the Act, Djibouti has strengthened its legislative and penal arsenal, in accordance with paragraph 1 of resolution 1373 (2001) and its subparagraphs (a), (b), (c) and (d), in order to prevent and suppress the financing of acts of terrorism, but also pursuant to its obligations under resolutions 1267 (1999) and 1390 (2002).

As for the International Convention for the Suppression of the Financing of Terrorism, Djibouti signed the Convention in November 2001 and is considering becoming a party to it in the near future.

10. **Please describe any structures or mechanisms in place within your Government to identify and investigate Usama bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.**

Djibouti has put in place a stringent system for the control of financial movements, designed to ensure that its financial system is not used for money-laundering or to finance terrorism. Financial institutions are required to conform to the aforementioned legislation with respect to the freezing of terrorists' assets.

The Republic of Djibouti has never provided any support to entities involved in acts of terrorism and the Djibouti Penal Code imposes severe penalties for such acts. The exchange of information with countries of the coalition and countries in the subregion has been intensified. In line with its policy of non-interference and of

having friendly relations with neighbouring countries, the Republic of Djibouti has never sheltered or supported terrorist entities.

In that regard, concerning the financing of terrorism and international cooperation, please refer to the chapter on sanctions of the Act on Money-Laundering, which punishes the conversion, transfer, concealment or disguising of the nature of proceeds of crime; and the possession or use of or search for financing for terrorist activities, as well as to title V on international cooperation. Chapter I of the Act concerns requests for mutual assistance in criminal matters; chapter II concerns extradition, while chapter III concerns provisions common to requests for mutual assistance in criminal matters and extradition.

The Djibouti authorities have not yet discovered or needed to freeze funds or other financial assets or economic resources belonging to individuals, groups, undertakings or entities appearing on the list drawn up pursuant to resolutions 1267 (1999), 1333 (2000), or 1390 (2002).

11. **Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Usama bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements.[1] Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.**

Title II, chapter I, article 2-1-2, of Act No. 196/AN/02/4ème L on Money-Laundering, Confiscation and International Cooperation with respect to the proceeds of crime, promulgated on 29 December 2002, provides that the Act covers "credit institutions, financial institutions and intermediaries, as well as any natural or legal person who, in the course of his profession, carries out, supervises, or advises on transactions involving the deposit, exchange, investment, conversion, or any other movement of funds".

This article further provides that the Act also applies "to all transactions, money changers, insurance companies, investment firms, agents dealing in the sale or rental of real estate or businesses, notaries, accountants, auditors, auctioneers, as well casinos and gambling establishments".

Under this regulation, the above-mentioned establishments are required to effect transfers of funds above 1 million Djibouti francs (there is a fixed parity of US$ 1.00 to 177 Djibouti francs) through a credit or financial institution pursuant to title II, article 2-1-3, of the Act.

Credit and financial institutions shall verify the identity of:

- Customers;
- Casual customers, even where the amount involved is less than 1 million Djibouti francs, if the origin of the funds is not clear;
- Economic beneficiaries, including attorneys and agents, who may not invoke confidentiality as grounds for not revealing the identity of the principal.

[1] For details see Third Report of the Monitoring Group of 17 December 2002, S/2002/1338, chapter V, paras. 27-29.

For further information, please refer to the copy of the Act annexed hereto, especially to title II, chapter II, thereof, on transparency in financial transactions.

The occupations subject to this Act are required to cooperate and collaborate with the authorities responsible for combating money-laundering, especially the Financial Intelligence Service, which may require any public authority and any natural or legal person covered by article 2-1-1 to divulge such information as it may deem relevant to carry out investigations, once a suspicious transaction report has been filed.

Title III, article 3-1-4, on the reporting of and requirement to report suspicious transactions provides that: "Any natural or legal person referred to in article 2-1-1 shall report to the Financial Intelligence Service the transactions covered by article 2-1-1 when they concern funds suspected of being proceeds of money-laundering or being connected with the financing of terrorist activities."

The Act is clear and provides for coercive measures, including the prohibition to invoke banking or professional secrecy, in case of failure to cooperate or report suspicious transactions. The penalties for non-cooperation or non-compliance with that regulation are set out in title IV, chapter II, article 4-2-5 of which provides for "five to ten years of imprisonment and a fine of 25 to 50 million Djibouti francs". Subparagraph (g) lays down penalties for "those who fail to report the suspicious transactions covered by article 3-1-4, where circumstances suggested that a particular transaction might be the proceeds of one of the offences covered by the present article".

The Act on Money-Laundering, Confiscation and International Cooperation with respect to the proceeds of crime complies fully with Security Council resolutions 1267 (1999) and 1390 (2002), since it concerns prevention, suppression and international cooperation with respect to combating the use of the proceeds of crime and terrorist financing.

Financial institutions are required to do whatever is necessary to comply with the law on anti-terrorist measures. If they have relations with any persons included in the list drawn up by the Committee pursuant to resolution 1267, they are required to block all transactions.

12. **Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities". Please provide a list of the assets that have been frozen in accordance with this resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2001) and 1390 (2002). Please include, to the extent possible, in each listing the following information:**

- **identification(s) of the person or entities whose assets have been frozen;**
- **a description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, works of art, real estate property, and other assets);**
- **the value of assets frozen.**

Not applicable.

13. **Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Usama bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.**

Nothing to report.

14. **Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities. This section should include a description of:**

- **The methodology, if any, used to inform banks and other financial institutions of the restrictions placed upon individuals or entities listed by the Committee, or who have otherwise been identified as members or associates of Al-Qaida or the Taliban. This section should include an indication of the types of institutions informed and the methods used.**

As regards the legal basis, see above, and especially the responses to questions 10 and 11.

The Act entered into force on the date of its publication in the *Journal officiel*. It is for the financial institutions to ensure that they comply with its provisions. Financial institutions work closely with the Central Bank of Djibouti and are required to report any suspicious transactions. If they fail to report such transactions, they may face criminal prosecution.

- **Required bank-reporting procedures, if any, including the use of Suspicious Transaction Reports (STR), and how such reports are reviewed and evaluated.**

See response to question 11.

- **Requirements, if any, placed on financial institutions other than banks to provide STR, and how such reports are reviewed and evaluated.**

See response to question 11.

- **Restrictions or regulations, if any, placed on the movement of precious commodities such as gold, diamonds and other related items.**

In accordance with Djibouti customs law on imports and exports, customs offices control the import of all goods, including precious commodities, which are subject to an import licence, used to levy the tax on goods and services, compile trade data, and control imports.

- **Restrictions or regulations, if any, applicable to alternate remittance systems such as — or similar to — "hawala", as well as on charities, cultural and other non-profit organizations engaged in the collection and disbursement of funds for social or charitable purposes.**

Title II, chapter I, article 2-1-2 of the Act on Money-Laundering, Confiscation and International Cooperation with respect to the proceeds of crime, provides that the Act covers "credit institutions, financial institutions and intermediaries, as well as any natural or legal person who, in the course of his profession, carries out, supervises, or advises on transactions involving the deposit, exchange, investment, conversion, or any other movement of funds".

This article further provides that the Act also applies "to all transactions, money changers, insurance companies, investment firms, agents dealing in the sale or rental of real estate or businesses, notaries, accountants, auditors, auctioneers, as well casinos and gambling establishments".

The law applies to all financial institutions, including "hawala" systems, which must obtain a permit and a licence, and ensure that their records are ready for inspection at all times.

The non-profit organizations referred to in the question may be either for-profit companies or charities. In Djibouti, the Act on Associations provides that associations must be registered with the Ministry of the Interior. This Act contains provisions governing the accounting for and registration of transactions made by registered associations, including fund-raising activities. Registered associations must submit annual accounts, as well as an audited annual report. The Act further provides that the Minister of the Interior may instruct an association to provide him with any information or documents, especially its accounts and records.

The forces of law and order may also place non-profit organizations under surveillance in order to ensure that they are not engaged in illegal activities and are not using their resources for illicit purposes.

## IV. Travel ban

**Under the sanctions regime, all States shall take measures to prevent the entry into or transit through their territories of listed individuals (paragraph 1 of resolution 1455 (2003), paragraph 2 (b) of resolution 1390 (2002)).**

15. **Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.**

Legislative and administrative measures: Djibouti has established effective controls at its borders to prevent the movement of terrorists or of those who support them. The Immigration Act stipulates that any person arriving by aircraft at any airport or authorized port must report to an immigration official when and where that official so requests. Anyone who refuses or fails to report to an immigration official when so requested will be viewed as having committed an offence. Moreover, any person wishing to enter the territory of Djibouti must possess a visa in proper order issued by a consulate of Djibouti and a passport valid for more than six months.

16. **Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.**

When sufficient details about the listed individuals have been provided to permit their identification with certainty, their names and the data concerning them

have been included on the Committee's list, which has been distributed to the various checkpoints, notably to the airport and frontier police services at the airport and at the port of Djibouti. The National Security Department has also set up offices with computerized resources at its checkpoints in order to strengthen prevention.

17. **How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?**

No, Djibouti does not have electronic means of searching List data, but the security service, the information services and the airport and frontier police receive regular updates of the Committee's List and can also keep track of it on the United Nations web site via the Internet.

18. **Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.**

None of the listed individuals has ever been arrested in Djibouti, as none has attempted to enter the national territory.

19. **Please provide an outline of the measures, if any, taken to incorporate the List in the reference database of your Consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the List?**

The List as regularly updated by the Committee is also communicated to the consular services of Djibouti, which consult it via the Internet so as to be able to refuse visas to listed individuals if necessary. Moreover, since the events of 11 September 2001, the consulates have been informed by a circular from the Ministry of the Interior that any suspicious visa applications must first be transmitted to the Ministry of the Interior so that the reasons for the application may be studied and examined.

To date, Djibouti's services have identified no visa applicants whose names appear on the List.

## V. Arms Embargo

**Under the sanctions regime, all States are requested to prevent the direct or indirect supply, sale and transfer, to Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals and entities associated with them, from their territories or by their nationals outside their territories of arms and related materiel of all types, including the provision of spare parts and technical advice, assistance, or training related to military activities (paragraph 2 (c) of resolution 1390 (2002) and paragraph 1 of resolution 1455 (2003)).**

20. **What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?**

The Republic of Djibouti produces no weapons of any sort and has neither the technical nor the human capacity to produce them or to provide technical assistance or training to anyone, including the aforementioned entities.

21. **What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?**

The Republic of Djibouti produces no arms and, moreover, has sufficiently strict penal legislation regarding the possession and sale of, or trafficking in, firearms, the possession or use of which is prohibited except by such established organs as the army and the national police and the State organs responsible for national security.

22. **Please describe how your arms/arms broker licensing system, if any, can prevent Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.**

Nothing to report. Djibouti does not produce armaments, and only such established organs as the army, the police, and the security services are authorized to possess weapons. For weapons to be imported, End User Certificates are required; these are issued only by the Chief of National Security and are provided only to established organs.

23. **Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Usama bin Laden, members of the Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated?**

Djibouti produces no weapons or ammunition.

## VI. Assistance and conclusion

24. **Would your State be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.**

Nothing to report.

25. **Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime, and where you believe specific assistance or capacity-building would improve your ability to implement the above sanctions regime.**

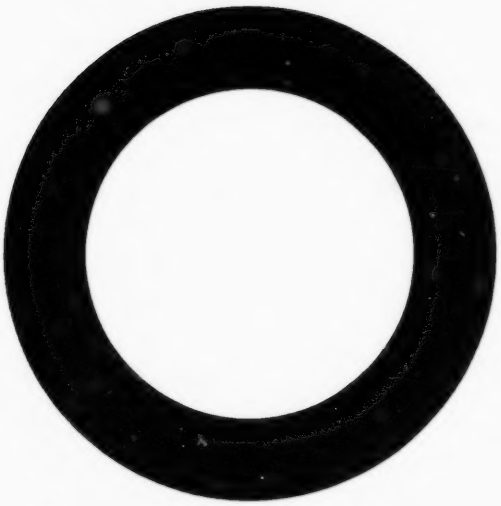
No response.

26. **Please include any additional information you believe pertinent.**

For more detailed information, please refer to the following:

- Act No. 196/AN/02/4ème L on Money-Laundering, Confiscation and International Cooperation with respect to the proceeds of crime (on file with the Secretariat)

- The following reports submitted to the Counter-Terrorism Committee pursuant to paragraph 6 of resolution 1373 (2001):
  - S/2001/1311 of 31 December 2001
  - S/2003/483 of 7 April 2003



United Nations S/AC.37/2004/(1455)/4

# Security Council

Distr.: General
20 January 2004

Original: English

**Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities**

## Note verbale dated 19 January 2004 from the Permanent Mission of Latvia to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Latvia to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) and, referring to the latter's note, has the honour to submit the report of the Republic of Latvia pursuant to paragraphs 6 and 12 of resolution 1455 (2003) (see annex).

04-21873 (E) 090204

**Annex to the note verbale dated 19 January 2004 from the Permanent Mission of Latvia to the United Nations addressed to the Chairman of the Committee**

# REPORT OF THE REPUBLIC OF LATVIA PURSUANT TO PARAGRAPH 6 AND 12 OF RESOLUTION 1455 (2003)

## I. Introduction

***1. Please provide a description of activities, if any, by Usama Bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.***

To date there have been no activities carried out by the Usama Bin Laden, Al-Qaida, the Taliban and their associates in the Republic of Latvia.

## II. Consolidated List

***2. How has the 1267 Committee's List been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?***

The Regulation of the Cabinet of Ministers was adopted on July 15, 2003 stating that the Control Service receives and accepts the lists of the international organizations and states for approval and dissemination of the consolidated "Terrorist watch list" in the Republic of Latvia. The Regulation names six international organizations – UN, EU, OSCE, Council of Europe, Interpol and Europol. It also provides that lists can be accepted from the state which is a member at least of one of the abovementioned organizations or it is a memberstate of the International Convention on the Suppression of the Financing of terrorism, or it is member of the Egmont group. The state shall be in line with one of these conditions.

The Control Service is the main institution in the Republic of Latvia consolidating the information on terrorist watch lists and disseminating these to the competent state authorities for further activities. The Control Service is a legal person under the supervision of the Office of the Prosecutor, such supervision is directly exercised by the Prosecutor-General and specially authorized prosecutors. The Council of the Prosecutor-General approves the by-laws of the Control Service. The structure and the staff of the Control Service is determined by the Prosecutor-General.

Furthermore the Control Service as a specially established state authority which exercises control over suspicious financial transactions, acquires, receives, registers, processes, compiles, stores, analyzes and provides information to the pre-trial investigative institutions and the court. It also carries out the supervision function over credit

institutions and their activities in the field of preventing and suspending the financing of terrorism.

The 1267 Committee's List along with other lists is being used by different police institutions for investigative purposes.

Concerning immigration, customs and consular matters, please see the answers to section IV.

***3. Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the List? If so, please describe these problems.***

In that extent some problems occur with various spelling of the Arabic names and also the fact that the thousands of real names of persons are together with different nicknames what makes the work with lists a bit difficult. The suspicious names are always checked also when these differ just by one letter.

***4. Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.***

To date Latvian authorities have not identified any of the designated individuals or entities in the territory of the Republic of Latvia.

***5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.***

There are no such names Latvia can submit to the Committee.

***6. Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the list? Please specify and elaborate, as appropriate.***

To date no individual or entity has brought lawsuit or engaged in legal proceedings in the Republic of Latvia concerning inclusion in the list.

***7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about then not already included in the List? If so, please provide this information to the Committee well as similar information on listed entities, as available.***

None of the listed individuals have been identified as Latvian national or resident of Latvia.

***8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country.***

There are no specific measures concerning recruitment or supporting Al-Qaida members, however various acts of legislation provide measures aiming to seize activities of terrorists or persons supporting terrorists including criminal liability for terrorism and measures concerning financial assets.

***9. Please describe briefly:***

- ***the domestic legal basis to implement the asset freeze required by the resolutions above;***
- ***any impediments under your domestic law in this context and steps taken to address them.***

Financial assets which can be qualified as proceeds from crime, shall be frozen without delay under warrant of the Control Service. To date there have been no impediments in this context.

***10. Please describe any structures or mechanisms in place within your government to identify and investigate Usama Bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.***

According to the provisions set out in the Law on Prevention of the Laundering of the Proceeds from Crime credit institutions and financial institutions shall refrain from conducting a transaction if there is cause for suspicion that this transaction is associated with the laundering or attempted laundering of proceeds from crime. Credit institutions and financial institutions have an obligation to:

- notify the Control Service without delay regarding each financial transaction the elements of which conform to at least one of the elements included in the list of elements of unusual transactions. The list of elements of unusual transactions and procedures for notification shall be prepared by the Control Service, taking into account the recommendations of the Consultative Council, and shall be approved by the Cabinet; and

- pursuant to a written request of the Control Service, provide without delay, for the performance of the functions provided for by this Law, additional information regarding the financial transaction (transactions) of a client concerning which a report has been received, but in the cases provided for in Section 32 of this Law, with the consent of the Prosecutor General or a specially authorized prosecutor – also regarding other transactions of the client.

Officials and employees of credit institutions and financial institutions have a duty to also notify the Control Service regarding discovered facts which do not conform to the elements included in the list of elements of unusual transactions, but which due to other circumstances cause suspicion regarding the laundering or attempted laundering of proceeds derived from crime.

The Control Service in accordance with the procedures set out in this Law shall co-operate with international authorities, which are engaged in combating the laundering or attempted laundering of proceeds from crime. All State authorities have a duty to provide information requested by the Control Service for the performance of its functions, pursuant to the procedures prescribed by the Cabinet. In performing the information exchange with the Control Service, the person who manages the personal data processing system or performs the data processing is prohibited from disclosing to other natural or legal persons the fact of the information exchange and the information.

***11. Please convey the steps banks and/or financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Usama Bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer". Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.***

No credit institution or financial institution shall have the right to open an account or accept financial resources for safe keeping without obtaining the following client identification data:

1) from a resident:

a) a legal person – the name, legal address, registration number and place of registration; or

b) a natural person – given name, surname, personal identity number; or

2) from a non-resident – data from the personal identification document issued by the relevant state:

a) a legal person – the name, legal address, registration number and place of registration; or

b) a natural person – given name, surname, date of issue and number of the personal identification documents, and the authority which issued the certificate.

A credit institution or a financial institution shall also identify a client, if the total amount of a single separate transaction or several clearly related transactions is 10 000 LVL or larger, and if previously when opening the account or accepting the financial resources for safe keeping the identification of the client had not been conducted. If the total amount of the financial transaction is not determinable at the time of its performance, the identification of the client shall be conducted as soon as the total amount of the transaction becomes known and it is 10 000 LVL or larger.

Irrespective of the amount of the financial transaction, a credit institution or a financial institution shall identify a client if the elements of the transaction conforms to at least one of the elements included in the unusual transaction element list, or also if due to other circumstances, there is cause for suspicion regarding the laundering or attempted laundering of proceeds from crime.

If a credit institution or a financial institution knows or has cause to suspect, that the transactions mentioned are conducted on behalf of a third person, it shall, insofar as possible, also identify such third person.

The supervisory and control authorities of credit institutions and financial institutions have a duty to report to the Control Service facts discovered during the course of examinations which conform to the elements which are included in the list of elements of unusual transactions, and regarding which the relevant credit institution or financial institution has not notified the Control Service.

***12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities". Please provide a list of the assets that have been frozen in accordance with this resolution. This list should include assets frozen pursuant to resolutions 1267 (1999), 1333 (2001) and 1390 (2003). Please include, to the extent possible, in each listing the following information:***

- ***identification(s) of the person or entities whose assets have been frozen;***
- ***a description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, works of art, real estate property, and other assets);***
- ***the value of assets frozen.***

Since September 11, 2001 no assets of listed individuals and entities have been identified and frozen in the Republic of Latvia.

***13. Please indicate whether you have released pursuant to resolution 1425 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Usama Bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities. If so , please provide reasons, amounts unfrozen or released and dates.***

Please see answer to question 12.

***14. Pursuant to resolutions 1425 (2002), 1390 (2001) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to Listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities.***

According to the Law on Prevention of the Laundering of the Proceeds from Crime the Control Service consolidates information on all designated individuals and entities and disseminates it to all financial and credit institutions of the Republic of Latvia.
Furthermore the duties of the Control Service include receiving, compiling, storing and analyzing reports by credit institutions and financial institutions, as well as information obtained by other means in order to determine whether such information may be related to the laundering or attempted laundering of proceeds from crime.

The Control Service shall perform the necessary administrative, technical and organizational measures, in order to ensure the confidentiality of information, to prevent unauthorized access to and unauthorized tampering with, or distribution or destruction of such. The procedures for the registration, processing, storage and destruction of the information received by the Control Service shall be determined by the Council of the Prosecutor-General, taking into account the recommendations of the Advisory Council. Information regarding financial transactions shall be retained by the Control Service for at least five years.

All State authorities have a duty to provide information requested by the Control Service for the performance of its functions, pursuant to the procedures prescribed by the Cabinet. In performing the information exchange with the Control Service, the person who manages the personal data processing system or performs the data processing is prohibited from disclosing to other natural or legal persons the fact of the information exchange and the information.

Credit institutions and financial institutions have an obligation to:

i) notify the Control Service without delay regarding each financial transaction the elements of which conform to at least one of the elements included in the list of elements of unusual transactions. The list of elements of unusual transactions and procedures for notification shall be prepared by the Control Service, taking into account the recommendations of the Consultative Council, and shall be approved by the Cabinet; an

2) pursuant to a written request of the Control Service, provide without delay, for the performance of the functions provided for by this Law, additional information regarding the financial transaction (transactions) of a client concerning which a report has been received, but in the cases provided for in Section 32 of this Law, with the consent of the Prosecutor General or a specially authorised prosecutor – also regarding other transactions of the client.

Officials and employees of credit institutions and financial institutions have a duty to also notify the Control Service regarding discovered facts which do not conform to the elements included in the list of elements of unusual transactions, but which due to other circumstances cause suspicion regarding the laundering or attempted laundering of proceeds derived from crime.

According to the Law "On public organizations and associations" a fund can be established only when registered as a public organization in Register of Enterprises. Such a fund should have a statute where it is clearly stated for what purpose it collects donations and how these will be spent afterwards. There is a special provision set out in Council of Ministers Regulation, under which each fund after being registered as mentioned above, is obliged to receive permit from the Ministry of Finance for receiving donations. The Ministry of Finance is entitled to audit these funds and in case donations are being spent other than stated in statute and permission, to recall that permission. By all means complaint can be brought before the competent authorities to examine possibility of unlawful actions.

## IV. Travel Ban

***15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.***

Persons entering the Republic of Latvia are being checked at the Latvian diplomatic missions abroad when there is a visa required and/or when crossing the border of the state by border guards. There is a special list of persons to whom it is restricted to visit the Republic of Latvia. This list is being amended on a regular basis and diplomatic missions can always consult the border control when these are uncertain about the person requesting the visa.

***16. Have you included the names of the Listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.***

There is a "stop list" which is used by border guards for checking persons entering the Republic of Latvia. The compilation of such list is a competence of police institutions. To date there have been no problems in this regard.

***17. How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?***

The border control list is constantly updated and it can be checked electronically at permanent border control posts.

***18. Have you stopped any of the Listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.***

To date none of the Listed individuals have been stopped at our border points or transiting our territory.

***19. Please provide an outline of the measures, if any taken to incorporate the List in the reference database of your Consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the List?***

Please see reply to question 15. To date, there have been no visa applications from anyone on the List.

## V. Arms Embargo

***20. What measures, if any, do you have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Usama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?***

Latvia has not taken any specific measures to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Usama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them.

According to the Regulations Regarding Control of Goods of Strategic Significance there is a specific export control of the abovementioned articles. These Regulations prescribe the control of the export, import, transit, production, storage and use of goods of strategic significance in conformity with the interests of Latvian national and international security and are directed against the distribution of nuclear, chemical, bacteriological and other weapons of mass destruction and their means of delivery.

The production, storage, use, export, import and transit of goods of strategic significance shall be controlled by the Committee for Control of Goods of Strategic Significance (hereinafter - Committee). The Committee is an inter-ministry committee established by the Cabinet of Ministers. It comprises authorized representatives of ministries, approved by the Cabinet, as well as the director and deputy directors of the Export and Import Control Department of the Latvian Development Agency. A chairperson appointed by the Cabinet manages the work of the Committee.

An undertaking shall receive a license for each transaction of export, import or transit of goods of strategic significance. A license shall not be necessary if the National Armed Forces, the Prisons Administration and the Ministry of the Interior import conventional armaments, weapons and ammunition in accordance with the procedures prescribed by the Ministry of Defense, Ministry of Justice and the Ministry of the Interior respectively.

An undertaking shall perform the export, import and transit of goods of strategic significance observing the name of the goods, their technical parameters and quantity as specified in the license. An undertaking shall observe the special conditions or notes, which are mentioned in export and import licenses, on the import certificate as well as in the confirmation of final use of goods of strategic significance. After the receipt of the license, the export and import of goods of strategic significance shall be performed within the time period specified in the license. The transit of goods of strategic significance shall be performed located at a customs border control point of Latvia transported in transit within a time period set by a customs authority located at that customs point, which shall not exceed five days.

The export, import and transit of goods of strategic significance shall be performed only through the customs control points specified by the Customs Administration. The intended border crossing location shall be specified in the relevant license. Exporters who have received a license with a special note shall submit a supply control certificate or a document comparable thereto approved by export control authorities of the relevant state to the Agency within a period of 120 days after the export of goods of strategic significance.

21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Usama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?

Resolution 1390 (2002) which imposes the embargo is implemented by Cabinet of Ministers Regulations on April 4, 2002.

As Criminal Law, section 81 "Violation of Sanctions Imposed by International Organizations" states - for a person who commits intentional violation of regulatory enactments regulating implementation of sanctions determined by the United Nations

Security Council, European Union or other international organizations in the Republic of Latvia,

the applicable sentence is deprivation of liberty for a term not exceeding five years or a fine not exceeding one hundred times the minimum monthly wage.

For a person who commits the same acts, if commission thereof is repeated, or by a group of persons pursuant to prior agreement, or by a State official,

the applicable sentence is deprivation of liberty for a term not exceeding eight years, with or without confiscation of property.

***22. Please describe how your arms/arms broker licensing system, if any, can prevent Usama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.***

Please see answer to question 20. Furthermore there is a special register of arms where all the information regarding imported, exported or transited arms, possessors or owners (including name and family name, identity code, registered address) of arms, licenses and control shots can be found.

***23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Usama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated?***

As already stated according to the Regulations Regarding Control of Goods of Strategic Significance license is needed for every export or import transaction and this transaction can be performed only according to rules set up by license.

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Security Council

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26 January 2004
English
Original: Spanish

**Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities**

## Note verbale dated 23 January 2004 from the Permanent Mission of El Salvador to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of El Salvador to the United Nations presents its compliments to the Chairman of the Committee and, with regard to the note dated 7 July 2003, has the honour to transmit herewith the report of the Government of El Salvador pursuant to paragraph 6 of Security Council resolution 1455 (2003) (see annex).

04-22388 (E) 170204 180204

## Annex to the note verbale dated 23 January 2004 from the Permanent Mission of El Salvador to the United Nations addressed to the Chairman of the Committee

## Report of El Salvador pursuant to Security Council resolution 1455 (2003)

### I. Introduction

1. **Please provide a description of activities, if any, by Osama bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.**

The Government of El Salvador is not aware of any past or current activities by Osama bin Laden, Al-Qaida, the Taliban and their associates in the country.

### II. Consolidated list

2. **How has the 1267 Committee's list been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?**

The Committee's list has been incorporated into the country's administrative structure as follows:

(a) Under the law, the Financial Investigation Unit (UIF) of the Office of the Attorney-General of the Republic, with the coordination of the supervisory agencies of the Salvadoran financial system, is the body that is responsible for verifying within the regulated financial system whether the persons on the list have carried out transactions or own assets in that system. Thus far, it has not been determined that such assets exist.

(b) The list has been entered into the database of the General Directorate of Migration and Alien Affairs on migration restrictions.

(c) The list has also been made available to the National Civil Police.

3. **Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the list? If so, please describe these problems.**

The names should be accompanied by more information on the exact identity of those concerned, such as passport numbers, dates of birth, aliases or others.

The list provides very scanty information. More information should be provided, including on the profiles, backgrounds and description of the persons in order to make it easier to locate them.

4. **Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.**

The competent authorities have not identified inside our territory any of the persons or entities on the List.

5. **Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Osama bin Laden or members of the**

**Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.**

The country's competent authorities have not found links to individuals or entities associated with Osama bin Laden, the Taliban or Al-Qaida that have not been included in the List.

6. **Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the List? Please specify and elaborate, as appropriate.**

There are no records in that regard.

7. **Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the List? If so, please provide this information to the Committee as well as similar information on listed entities, as available.**

None of the listed persons has been a national or resident of El Salvador.

8. **According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country.**

In El Salvador, as indicated in the preceding paragraphs of this report, the authorities concerned in the country have not detected the presence of members of Al-Qaida inside our national territory and much less the existence of Al-Qaida training camps in the country.

## III. Financial and economic assets freeze

**Under the sanctions regime (paragraph 4 (b) of resolution 1267 (1999) and paragraphs 1 and 2 (a) of resolution 1390 (2002)), States are to freeze without delay the funds and other financial assets or economic resources of the listed individuals and entities, including funds derived from property owned or controlled, directly or indirectly, by them or by persons acting on their behalf or at their direction, and ensure that neither these nor any other funds, assets, or resources are made available, directly or indirectly, for such persons' benefit, by their nationals or by any persons within their territory.**

***Note*: For the purpose of implementation of the financial prohibitions in this sanctions regime, "economic resources" is defined to mean assets of every kind, whether tangible or intangible, movable or immovable.**

9. **Please describe briefly:**

- **The domestic legal basis to implement the asset freeze required by the resolutions above;**

Articles 180 et seq. of the Code of Criminal Procedure and Security Council resolution 1373 (2001).

However, it must be made clear that the institutions under this legal obligation cannot on their own freeze bank accounts or funds; they may do so only on the

express written instructions of the Attorney-General of the Republic, through UIF, or through the competent court.

Lastly, the obligation of financial institutions to report any suspicious operation does not flow specifically from special domestic legislation against terrorist acts, but from the Money Laundering Act. In particular, it derives from the guidelines of UIF for the prevention of money-laundering, in implementation of the eight special recommendations against terrorism made by the Financial Action Task Force on Money Laundering (FATF), which expressly provide as follows: "... Special provision. Institutions shall report to the Financial Investigation Unit (UIF) of the Office of the Attorney-General of the Republic and to the relevant supervisory body, as a suspicious or irregular operation or transaction, regardless of the amount involved, any operation, transaction or account concluded or opened by clients or users about whom there is evidence or information obtained by any means linking or associating them directly or indirectly with any of the criminal activities referred to in article 6 of the Money Laundering Act, and in particular to local or international terrorist acts ...".

- **Any impediments under your domestic law in this context and steps taken to address them.**

There are no impediments.

10. **Please describe any structures or mechanisms in place within your Government to identify and investigate Osama bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.**

According to article 3 of the Money Laundering Act, the Financial Investigation Unit of the Office of the Attorney-General of the Republic is the authority responsible for investigating the crime of money-laundering and related crimes such as terrorism.

Pursuant to that mandate, and on the basis of the lists of the Security Council, it carried out appropriate investigations to determine whether the individuals or entities on the lists have any ties or business with the national financial system. Those investigations found that such individuals neither carried out transactions nor have assets in the country's financial system.

11. **Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Osama bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements. Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.**

The duty of financial institutions to report any suspicious operation is specifically provided for under the Money Laundering Act: "Art. 9. — Institutions are required to report to UIF in writing or by any other electronic means within a period of three working days any operations or multiple transaction performed by a single client that exceeds in one day or within a period of one month 500,000 colones or the equivalent in foreign currency, in accordance with the fluctuations of

the national currency, provided there is sufficient reason to consider such operations or transactions irregular or when UIF so requires ... Art.10 — Institutions shall have the following obligations in addition to those set out in the foregoing article: ... III Mandatory, prompt and full reporting to the Office of the Attorney-General of the Republic, through UIF and the relevant supervisory body, on any relevant information on the handling of funds, the amount and nature of which bear no relation to the economic activity of their clients or on client transactions which, by reason of their amounts, number, complexity, characteristics or special circumstances, are inconsistent with the customary or normal pattern of transactions of that type; and in respect of which it might reasonably be concluded that an attempt is being made to use the financial institution or that the financial institution is in fact being used to transfer, process, benefit from or invest money or the proceeds of criminal activities ...". They have a special obligation under the UIF guidelines for the prevention of money-laundering, which expressly provide as follows: "... Special provision. Institutions shall report to the Financial Investigation Unit of the Office of the Attorney-General of the Republic and to the relevant supervisory body, as a suspicious or irregular operation or transaction, irrespective of the amount involved, any operation, transaction or account concluded or opened by clients or users about whom there is evidence or information obtained by any means linking or associating them directly or indirectly with any of the criminal activities referred to in article 6 of the Money Laundering Act, and in particular to local or international terrorist acts ... Furthermore, financial institutions shall give prior notice to UIF about any decision to close or cancel the accounts of clients suspected of being directly or indirectly associated with or involved in the crimes referred to in the previous paragraph, so that UIF can take prompt action to secure evidence and thus impose precautionary measures and/or enable the Office of the Public Prosecutor to initiate criminal proceedings.

Requirements of due diligence (Articles 10 et seq. of the Money Laundering Act):

"Art.10. — Institutions shall have the following obligations in addition to those set out in the foregoing article:

(a) Clearly identify, exercising due diligence, any customers requiring their services as well as any other natural or legal person on whose behalf they may be acting;

(b) Record and keep documentation on transactions for a period of five years, starting from the date of completion of each transaction;

(c) Provide their staff with training on money-laundering processes or techniques so that they can recognize abnormal or suspicious situations;

(d) Establish internal oversight mechanisms to verify compliance with the provisions of the Act;

(e) Under the provisions of article 4, paragraph 4 of this Act, banks, financial institutions, exchange houses and stock exchanges shall adopt policies, rules and guidelines of conduct to be observed by their administrators, managers and staff, consisting of:

(i) Familiarizing themselves with the economic activities of their clients, the volume, frequency and basic characteristics of the

transactions that they normally carry out and, in particular, the activities of those who make any kinds of demand and term deposits, operate savings accounts, deposit assets in trust directly or on behalf of third parties, or make deposits into safe deposit boxes;

(ii) Establishing that the volume, value and movement of funds of their clients are consistent with those clients' economic activities;

(iii) Making a prompt and full report to the Office of the Attorney-General of the Republic, through UIF and the relevant supervisory body, on any relevant information on the management of funds, the amount or nature of which bear no relation to the economic activities of their clients, or on client transactions which, by reason of their amounts, number, complexity, characteristics or special circumstances, are inconsistent with the habitual or normal pattern of transactions of that type; and in respect of which it might reasonably be concluded that an attempt is being made to use the financial institution or that the financial institution is in fact being used to transfer, process, benefit from or invest money or the proceeds of criminal activities.

Art. 11. — Institutions shall keep records listing the names of their clients. They shall not keep anonymous accounts or accounts bearing incorrect or fictitious names ...

Art. 12. — Institutions shall maintain for a period of at least five years necessary records of both national and international transactions that can be used to promptly respond to requests for information on money-laundering from the relevant oversight bodies of the Office of the Attorney-General of the Republic and the relevant courts. Such records shall be used to reconstruct each transaction in order to provide, where necessary, proof of criminal conduct ...

Art. 13. — Institutions shall monitor transactions performed by their clients that exceed the amounts and conditions stipulated under article 9, paragraph 1, of this Act ... In order to carry out such monitoring activities, the institutions shall prepare a form listing relevant data to identify their clients ... Institutions shall submit such forms to the relevant oversight or supervisory bodies, if they consider a transaction to be suspicious, and simultaneously transmit copies of the reports submitted under this article to UIF, as required under this Act or under this article ...

Art. 14. — Institutions shall designate officials responsible for maintaining and updating the lists and forms referred to in this Act ... All the lists and reports required by this Act may be maintained and transmitted in hard copy or electronically ...

Art. 15. — Failure of the institutions to comply with the above-mentioned obligations, shall be punished in accordance with the regulations of the oversight or supervisory bodies without prejudice to any criminal liability, ..."

12. **Resolution 1455 (2003) calls on Member States to provide a "comprehensive summary of frozen assets of listed individuals and entities". Please provide a list of the assets that have been frozen in accordance with this**

**resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2000) and 1390 (2002).**

The competent national authorities have not frozen any funds of listed individuals or entities thus far.

13. **Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen because they were linked to Osama bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.**

The competent national authorities have thus far not frozen any funds of listed individuals and entities, as no account in the name of listed individuals and entities has come to their attention.

14. **Pursuant to resolutions 1455 (2003), 1390 (2002), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country, to control the movements of such funds or assets to designated individuals and entities.**

El Salvador has not enacted legislation to implement the provisions of resolutions 1455 (2003), 1390 (2002), 1333 (2000) and 1267 (1999) on the financing of terrorism.

However, draft legislation now being elaborated on the prevention and suppression and, in particular, the financing of terrorism adopts international standards in this area, establishes the relevant investigation and financial analysis mechanisms and confers specific powers on the competent national authorities.

## IV. Travel ban

**Under the sanctions regime, all States shall take measures to prevent the entry into or transit through their territories of listed individuals (paragraph 1 of resolution 1455 (2003), paragraph 2 (b) of resolution 1390 (2002)).**

15. **Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.**

A listed individual found in Salvadoran territory would be immediately detained and questioned, and the necessary arrangements would be made to fulfil the State's commitments with regard to extradition.

16. **Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.**

Yes.

17. **How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?**

An updated list is transmitted as often as information is received by the General Directorate of Migration and Alien Affairs.

18. **Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.**

No.

19. **Please provide an outline of the measures, if any, taken to incorporate the List in the reference database of your consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the List?**

The General Directorate of the Foreign Service in the Ministry of Foreign Affairs has transmitted the lists to all the consulates of El Salvador.

## V. Arms embargo

**Under the sanctions regime, all States are requested to prevent the direct or indirect supply, sale and transfer, to Osama bin Laden, members of Al-Qaida organization and the Taliban and other individuals and entities associated with them, from their territories or by their nationals outside their territories, of arms and related materiel of all types, including the provision of spare parts and technical advice, assistance, or training related to military activities (paragraph 2 (c) of resolution 1390 (2002) and paragraph 1 of resolution 1455 (2003)).**

El Salvador has taken the necessary measures outlined in resolution 1390 (2002) by distributing the Security Council List of international terrorists to the Centre for Police Intelligence, the Division of Arms and Explosives of the National Civil Police and the Directorate of Logistics within the Ministry of National Defence for consultation by the import department whenever applications for special permits to import arms and ammunition are received. Thus far, there have been no reports of arms, ammunition and related materiel being supplied, sold or transferred to any listed individual or entity. Special permits for importing arms, ammunition and related materiel must be verified against the Security Council List.

20. **What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Osama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export controls do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?**

In accordance with the Act on the Control and Regulation of Arms, Ammunition, Explosives and Related Items and its implementing regulations, the Division of Arms and Explosives is responsible for storing all arms, ammunition, explosives and similar items entering our country (article 52 of the Act and 70 of the regulations). The Ministry of National Defence shall designate depots for that purpose (article 59 of the regulations). The same law sets out the Ministry of National Defence requirements the for the use or sale of arms and ammunition by individuals or legal entities (articles 16, 17, 23, 24, 26, 27, 28, 31, 33, 34, 37 and 58 of the Act). There is also extensive coordination between the Ministry of National

Defence and the National Civil Police (articles 2, 11, 12, 13, 14 and 15 of the Act). Thus far, we have no knowledge of arms and ammunition having been supplied, sold or transferred to any listed individual or entity. Each application for a special permit to import arms and ammunition is verified against the Security Council List. As El Salvador does not have the technology to manufacture weapons, it does not export them.

21. **What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Osama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?**

The Penal Code of El Salvador is general in nature; the violation of the embargo is not characterized as a crime, as it is covered by the criminalization of other acts in articles 343, 344, 345, 346, 346B, 347, 262B, 267 and 268.

22. **Please describe how your arms/arms broker licensing system, if any, can prevent Osama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.**

The Security Council List is incorporated in the database of the Directorate of Logistics within the Ministry of Defence and is consulted prior to authorizing special permits to import arms and ammunition.

The requirements for issuing special import permits are:

Article 16. — Individuals or legal entities engaged in the sale of arms and ammunition shall satisfy the following requirements:

(a) Submit an application to the Ministry of National Defence, containing the first and last names, age, civil status, nationality, profession or trade, personal identity card No., correct residential address and place of habitual abode;

(b) Submit an original and photocopy of personal identity document, or a certified photocopy, indicating category and type of firearms and ammunition to be sold to the public;

(c) Submit business register information, taxpayer number (NIT) and tax registration number;

(d) Submit a notarized statement that the information is true and accurate. Any change in the information given must be promptly reported. In the case of legal entities, this statement shall be made by their legal representative; and

(e) Submit proof that the legal representative, the individual proprietors or the members of the corporate board of directors do not have criminal or police records.

Article 17. — In addition to the requirements set out in the preceding article, legal entities shall submit a certified photocopy of the company's charter and accreditation of its current representative(s).

Article 19. — In order to purchase firearms at an establishment authorized to sell them, a person must show his license to use firearms. Upon receipt of this document, the seller shall give the buyer a registration application. The seller shall submit the

completed application, together with any required documents, to the Office of Arms Registry in the Directorate of Logistics within the Ministry of National Defence.

The Office shall inform the commercial establishment, not more than five business days after receipt of the documents, whether the application has been approved or denied. If authorization is given, the weapon can be delivered to the buyer and the procedures for the sale can be finalized.

It is the seller's obligation to issue the invoice or tax credit voucher.

Article 30. — Those persons wishing to register collectors' weapons must submit a written request to the Ministry of National Defence and comply with the requirements and formalities set out for registering other firearms.

To grant the respective permit, the Ministry of National Defence shall inspect such collectors' weapons to ensure that they fall within a category established in this Act.

23. **Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Osama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated?**

Firearms are neither manufactured nor assembled in El Salvador, and only ammunition normally used at firing ranges is reloaded.

## VI. Assistance and conclusion

24. **Would your State be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.**

The competent authorities of El Salvador are willing to share their know-how in combating terrorism, based on mock drills inside the country, particularly since 11 September 2001.

25. **Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime, and where you believe specific assistance or capacity-building would improve your ability to implement the above sanctions regime.**

The thematic areas which would benefit from technical cooperation are:

- Immigration Services and travel documents, interviews, profiles, interrogations and investigation;
- Assistance in preventing computer network sabotage and attacks on, inter alia, computerized immigration and passport systems;
- Airport and land border security;
- Link between drug trafficking and terrorism;
- Arms trafficking; and
- Money-laundering.

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# Security Council

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**Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities**

## Note verbale dated 22 January 2004 from the Permanent Mission of Ireland to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Ireland to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) and has the honour to transmit herewith the report requested in paragraph 6 of Security Council resolution 1455 (2003) of 17 January 2003 (see annex).

04-21858 (E) 100204

## Annex to the note verbale dated 22 January 2004 from the Permanent Mission of Ireland to the United Nations addressed to the Chairman of the Committee

### Report of Ireland submitted pursuant to paragraph 6 of resolution 1455 (2003)

### I. Introduction

**1.** Ireland is not aware of any direct activity by Usama Bin Laden, Al-Qaida or the Taliban within its jurisdiction. Ireland has in its jurisdiction an individual associated with Al-Qaida who appears on the Consolidated List. There are also in the jurisdiction a number of individuals who are sympathetic to and support Islamic extremism, without direct links to Al-Qaida or the Taliban.

### II. Consolidated List

**2.** The 1267 Committee's List has, via Council Regulation (EC) No. 881/2002 and amending regulations, been incorporated within Ireland's administrative structure (EC Regulations have direct effect in Ireland without the need for national implementation measures). The Garda Siochana (Ireland's national police service) also acts as the national immigration service, and the List and any amendments thereto are maintained within the national police service's immigration bureau.

The consolidated list and amendments are transmitted to the Garda National Immigration Bureau (GNIB) for inclusion on their Information system – 'Watch List'- which is available to immigration officers at ports of entry to the State. It should also be noted that Irish immigration law allows for a non-national to be refused leave to land in the State where his/her entry into or presence in the State would pose a threat to national security or would be contrary to public policy.

**3.** Translational difficulties, combined with the lack of information exchange between States, also makes identification of the names and nomenclatures included on the Consolidated List problematic. The inclusion of photographs, if available, would also assist in identification.

**4.** The individual referred to in paragraph 1 has been the subject of appropriate action with regard to his finances and financial activity.

**5.** Although we continue to monitor the activities of a number of subjects with links to Islamic extremism to date, we cannot definitely link any of these subjects to the Taliban or Al-Qaida. If this situation changes, we will submit names of persons or entities associated with the Taliban or Al-Qaida, provided that doing so does not compromise any investigation or prosecution.

**6.** The individual referred to in paragraph 1 currently has a legal action against the European Council.

**7.** Ireland will provide additional information with regard to the individual referred to in paragraph 1, if and when the information becomes available.

**8.** Section 3 of the Criminal Law Act 1976 makes it an offence for any person to recruit, incite or invite another person to join an unlawful organization or to take part in, support or assist in its activities, liable on conviction to a sentence of up to ten years. Section 6 of the Offences Against the State (Amendment) Act, 1998 provides for the offence of instructing or training, or receiving instruction or training, in the making or use of firearms or explosives, liable to a fine or a sentence of up to ten years if convicted, or both.

These provisions will be strengthened and enhanced by the Criminal Justice (Terrorist Offences) Bill, 2002, which is currently before Parliament. Section 51 of the Criminal Justice (Terrorist Offences) Bill, 2002, provides for a new offence of knowingly rendering assistance to an unlawful organization, liable on conviction to a fine or a sentence of up to 8 years if convicted, or both. This Bill also extends the application of the relevant provisions of the Offences Against the State Acts 1939-1998 to terrorist groups whether based in or outside the State.

## III. Financial and Economic Assets Freeze

**9.** The sanctions provisions of the relevant resolutions are implemented under EU Regulations which have direct legal effect in Ireland. Council Regulation (EC) No. 881/2002 of 27 May 2002 imposes measures against al-Qaida and Taliban. Council Regulation (EC) No. 2580/2001 of 27 December 2001 specifies restrictive measures to combat terrorism. These regulations are currently enforced in Ireland by means of Ministerial Orders under domestic legislations, viz. the Financial Transfers Act, 1992 and the European Communities Act, 1972. There are no impediments under existing laws in these respects. Part 4 of the Criminal Justice (Terrorist Offences) Bill, 2002 (referred to above) will give effect to the UN Convention for the Suppression of the Financing of Terrorism. It will permit, inter alia, the confiscation, freezing and forfeiture of funds used or intended for use in financing the commission of terrorist acts, in line with the Convention.

**10.** The Department of Foreign Affairs and the Central Bank and Financial Services Authority of Ireland are the two competent authorities for Ireland under the above mentioned Council (EC) Regulations. In that capacity they report directly to the European Commission and, in collaboration with the Department of Finance, the Department of Justice, Equality and Law Reform and the Garda Siochana, they apply the measures and mechanisms necessary to identify and investigate the assets, individuals and entities reported within the jurisdiction.

**11.** The Banks and other financial institutions are required to search their records and confirm to the Central Bank that they have done so in respect of the individuals and entities named under EU Regulations. These searches are usually carried out and reported on by the Compliance and Money Laundering Officers in the institutions concerned. Any difficulties are referred to the Central Bank for direction. The Central Bank reports directly to the Commission (EC) as required under the particular regulations.

**12.** Under Council (EC) Regulation No. 881/2002, Ireland has reported to the Commission (EC) the names of 6 individuals who maintained a total of 9 accounts which are now frozen. The aggregate current value of funds frozen is approximately €90,000. Enquiries are continuing to confirm the identities of two of these names. Another named individual currently has a legal action against the European Council. No funds or other economic resources have been frozen under Council Regulation (EC)2580/2001. Problems with

identifiers and verifying identities remain the most significant difficulties encountered in the freezing of funds.

**13.** No funds, financial assets or economic assets that had previously been frozen as being related to Usama Bin Laden or members of Al-Qaida or the Taliban or associated individuals or entities have been released by Ireland pursuant to resolution 1452 (2002). However, in August 2003, Ireland applied for, and received, sanction from the 1267 Committee which would allow for social welfare payments to be made to the individual referred to in paragraph 1 to meet the basic needs of his family in accordance with the criteria set out in paragraph 1(a) of resolution 1452 (2002). In December 2003 Ireland received sanction from the 1267 Committee to increase the levels of payment to this individual in line with national budget increases.

**14.** The Central Bank and Financial Services Authority of Ireland, acting under the delegated authority of the Minister for Finance, advises, directs and receives reports from the various bodies in the financial system in relation to all additions or changes to the EU Sanctions Regulations and/or listings thereunder. The Bank also requests cooperation in respect of individuals or entities identified on similar listings received from other countries seeking cooperation in relation to the combating of terrorism. All official communications to and responses from the financial system are in writing while many advisory or informal contacts take place by telephone or at meetings. The FATF special recommendations on terrorist financing or alternative remittance ('hawala' banking) and non-profit organizations – such as charities – are being implemented progressively.

The Criminal Justice Bill (2002) when enacted will give legal effect to the UN Convention for the Suppression of the Financing of Terrorism which will meet the requirements of that convention and accordingly have more general application to the financing of terrorism in keeping with the provisions of the Convention. Regulations have recently been made under the Criminal Justice Act 1994 which effectively extend the existing Money Laundering provisions to a range of profession, professional practice and additional investment activities.

In addition, the Central Bank and Financial Services Authority of Ireland Bill (No. 2) 2003 will, as currently drafted and when enacted, provide for the enhanced supervision and regulations of a range of alternative money transmission activities. The Government is committed to ensuring the introduction of comprehensive legislation on the regulation of charities and charitable fundraising in line with the recognition of the need for a more modern legal framework in this area. The work of reviewing the legislation is under way by the relevant Department and discussions have been held with the Law Reform Commission who will commence an examination of charity law which will identify the necessary legal reforms.

## IV. Travel Ban

**15.** Irish Immigration law allows for a non-national to be refused leave to land in the State where his/her entry into or presence in the State would pose a threat to national security or would be contrary to public policy. The names and details from the Consolidated List have been entered on the 'Watch List' on the Garda National Immigration Bureau Information system. Immigration officers at ports of entry have access to this list in making a decision on granting leave to land to non-nationals.

**16.** The names of the listed individuals have been entered on the national stop list known as 'Watch List'. Immigration officers at points of entry have access to this list. No problems have been encountered to date.

**17.** The Garda National Immigration Bureau database is updated on receipt of updates or amendments to the List. The database can be accessed at all approved points of entry by immigration officers.

**18.** Ireland is not aware of any attempts by any of the listed individuals to enter or transit its territory.

**19.** The consular offices of the Department of Foreign Affairs handle most visa applications on behalf of the Department of Justice, Equality and Law Reform. The Consolidated List has been transmitted to the Visa Section of the Department of Justice, Equality and Law Reform (and circulated to the consular offices) for consultation prior to issuing visas. There is no record of the granting of a visa to any individual named on the list since the list has been established.

## V. Arms Embargo

**20.** Exports of all arms/military items from Ireland are subject to an export licence requirements under the Control of Exports Act, 1983. The Control of Exports Order, 2000 (made under the 1983) Act sets out the list of such items that are subject to export control. Weapons of Mass Destruction (WMD) are not covered by the list, which is essentially limited to conventional weapons and associated goods and technology.

The basis for Ireland's controls on WMD is Council Regulation 1334/2000 setting up a Community regime for the control of exports of dual-use items and technology. The Regulation contains a detailed list of dual-use items and technology that are subject to export licence requirements. Moreover, the Regulation's "catch-all" clause allows an EU Member State to impose an export licence requirement on non-listed dual-use items if the exporter is aware or has been informed by the authorities that the items in question may be used in connection with WMD.

**21.** A fine or three times the value of the goods, whichever is the greater, and/or imprisonment for a term not exceeding two years, may be imposed for a breach of the Control of Exports Act, 1983. The penalty may be applied in circumstances where false or misleading information was provided for the purpose of obtaining an export licence. A fine and/or imprisonment not exceeding 12 months may be imposed for a breach of the dual-use regulations. In addition, a fine or three times the value of the goods may be imposed under the Customs Act of 1956 if Military or dual-use are exported without a licence.

**22.** Ireland does not currently have national legislation in place covering arms brokering activities.

**23.** Ireland is not a producer of weapons or ammunition. There are, however, a small number of companies that produce, as part of their general production, components specifically designed for military end-use. Applications to export these items are subjected to the strictest examination and satisfactory end-use assurances are required in all cases before a license will be granted.

## VI. Assistance and conclusion

**24.** Please see Ireland's Directory of Assistance submitted to the United Nations Counter-Terrorism Committee (http://domino.un.org/ctc/CTCDirectory.nsf)

**25.** No areas identified